

JPRS 79754

29 December 1981

# Latin America Report

No. 2424

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FOREIGN BROADCAST INFORMATION SERVICE

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No. 2424

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## BRIEFS

POWER COMPANY LOAN--A loan agreement of £5 million (approximately Bds \$19 million) was yesterday signed between the Commonwealth Development Corporation (CDC) and the Barbados Light and Power Company at the CDC's Culloden Road offices, St. Michael. Signing on behalf of the CDC was Mr Adrian Kerwood, regional controller and signing on behalf of the Barbados Light and Power was Mr Frank McConney, managing director. Mr McConney said that the money will be used to buy electrical equipment and machinery to expand the company's power system. He said that the expansion was urgently needed to supply the increasing use of electricity in the island. The Managing Director further said that part of the money would be used for the expansion programme which started earlier this year in February and construction of the new low-speed diesel unit at Spring Garden Power Station, Black Rock, St. Michael. Mr McConney said that the expansion programme would include the construction of new sub-stations and transmission lines, and a distribution programme among other areas. [Excerpt] [Bridgetown ADVOCATE-NEWS in English 18 Nov 81 p 1]

CSO: 3025/76



## BRIEFS

OIL EXPORT FIGURES--Ecuadorean State Petroleum Corporation [CEPE] has exported a total of approximately 30 million oil barrels between January and October 1981. Of this total, 21 million , 71 percent, were long term sales. The spot sales only reached 8.5 million barrels during this same period. [PA082359 Quito Boz de Los Andes in Spanish 1230 GMT 1 Dec 81]

CSO: 3010/490

## BRIEFS

OFF-SHORE OIL EXPLORATION--Kingston, Jamaica, 15 Dec (CANA)--Jamaica's search for oil off-shore should start tomorrow, once there are no hitches with the weather, according to prime minister and minister of mines and energy, Edward Seaga. A consortium of Union Texas, an American oil company, and the Italian state firm, AGIP, will be spudding the first off-shore well in the Arawak block on the Pedro Bank, about 50 miles off Jamaica's south coast. Under present arrangements with the consortium, if oil is found Jamaica will receive a royalty of 12.5 percent of its value in either cash or kind, while the Petroleum Corporation of Jamaica (PCJ) will get an undisclosed share of profits. The PCJ recently received a 7.5 million dollar (U.S.) loan from the World Bank to help finance the development of the fields, should oil be found. The on-shore search for petroleum started last month with the sinking of a well on the southwest coast in the parish of Westmoreland. It is the first of three wells to be sunk by the PCJ in different areas of the island over a 9-month to 1-year period. The PCJ's on-shore search is costing 32 million dollars, (U.S.) 23.5 million of which is a loan from the Inter-American Development Bank. Jamaica's total oil bill last year was 419 million dollars (U.S.) but 163 million dollars worth of that was for the bauxite/alumina industry, for which the country did not have to find the foreign exchange. Domestic oil imports accounted for 32.1 percent of the Jamaica foreign exchange budget. [Excerpts] FL151815 Bridgetown CANA in English 1740 GMT 15 Dec 81]

CSO: 3025/1012

## BRIEFS

FURTHER OIL EXPLORATION--Port-of-Spain, Trinidad, 12 Dec (CANA)--The minister of energy and natural resources, Mr Patrick Manning, has said that the republic's government will give priority to further oil exploration in the new year. Mr Manning made the statement following a tour of the facilities of the Trinidad and Tobago Oil Company (TRINTOC). During the visit, Mr Manning held a meeting with senior officials of the company at the administrative building at Point Fortin, in South Trinidad. He said that most of the planned exploration will be on land, and assured that any problems which might develop at TRINTOC would be given urgent attention by the government. The objective of the 1982 action would be to stimulate and improve the level of oil production by the company. [Text] [FL121543 Bridgetown CANA in English 1525 GMT 12 Dec 81]

CSO: 3025/1012

## U.S. STRATEGY IN CENTRAL AMERICA ANALYZED

Managua EL NUEVO DIARIO in Spanish 28 Oct 81 p 9

[Article by Ernesto Jonis: "The United States Counterrevolutionary Plan in Action!!"]

[Text] The heading of this essay seems to suggest that, in one way or another, the strategic concept behind the policy of United States imperialism in Central America has become known and then can be described and analyzed in a detailed, documented manner. This is not the case. There is no parallel at all to the publication of the "Pentagon Papers" by Daniel Ellsberg or the investigation by the United States Senate on interference by the CIA and the multinational ITT company in Chile. On the contrary, the frequently contradictory and scant information on United States policy in Central America seems to be too inconsistent to enable an observer to infer whether or not an imperialist strategy has been drawn up concretely for the region. This impression is strengthened by statements by government officials that no decision has been made yet concerning the options in Nicaragua and, in fact, by acceptance of these statements as true by the mass media.

Nevertheless, the impression is wrong. It is the intentionally deceptive front of a well-planned disinformation campaign whose function is to distract world public opinion from the real strategic procedures that the counterrevolution has been carrying out in the Caribbean and in Central America since 1980. If information connected with the actual policies and the speeches of the Reagan Administration are summarized with a historical knowledge of the CIA's secret operations in Latin America, then that summary strongly indicates the existence of a covert strategic plan by the United States to destroy the present revolutionary movements and states in Central America.

1. The objectives of the strategy are:

In the short term: destruction of the national liberation movements in El Salvador, Guatemala and Honduras.

Next, in the medium term, destruction of the Sandinist regime in Nicaragua by means of the political paralysis of the FSLN [Sandinist National Liberation Front] and the development of a Mexican model or, if this is not possible, the physical destruction of the movement, following the pattern of Chile in 1973 or Guatemala in 1954.



And finally, in the long term, destruction of the socialist regime in Cuba and prevention of any other revolution or success of a national liberation movement on the continent.

2. The structure of the strategy for Nicaragua is characterized by emphasis on three steps and four levels:

Phase A, which has been completely formulated and is considerably well along with regard to its implementation, consists of destabilization activities of the following nature: a. propagandistic-psychological, b. economic, c. political and d. paramilitary. Propagandistic-psychological and economic measures are principally important during this phase. Political and paramilitary action play a complementary part.

Phase B, which can be called "paramilitary," has not been developed beyond the planning and discussion stage. Its concrete final pattern depends predominantly on the outcome of phase A.

The same is true of phase C, which is essential military-political.

In general terms, the conduct and the logic of the destabilization strategy resemble, in phase A, the policy followed by the United States in Chile (against Allende) and in Ecuador (1961-1962) and, in phases B and C, the campaign against Arbenz (Guatemala).

Within the country, the strategy is supported, among others, by factions of the so-called private sector and of the "independent sectors," which are maintained "as a potent force against those who want to establish a totalitarian state<sup>1</sup>, like middle-class political parties, "free" labor unions and mass media like the press. The Christian democrat parties in Europe and Latin America serve as the main channels for funds, diplomatic-political support and, together with the "large newspapers" and news chains, as propaganda agents.

The principal allies of imperialism on the continent are:

- a. In the Southern Cone: Argentina and Chile (political pressure and military assistance).
- b. In Central America and the Caribbean: Colombia (diplomatic pressure), Venezuela (political and economic pressure), Honduras (military level) and the Dominican Republic (diplomatic level).

In view of the fact that, owing to reasons of space, it is not possible to go into detail on the continental components of United States strategy, we shall limit ourselves here to reviewing the specific measures of its first phase in Nicaragua--the destabilization phase--and, especially, the psychological warfare aspect. The daily newspaper LA PRENSA is in the lead of the propagandistic war against the FSLN. It changed from a democratic, critical publication under the Somoza regime to a frank, aggressive partisan of counterrevolutionary interests, after Violeta Chamorro left the National Reconstruction Junta (in April 1980) and the subsequent departure of its editor at that time, Xavier Chamorro.

A preliminary statistical analysis of eight issues of the newspaper (September-November 1980), made by a communication scientist, Claudio Duran, reached the conclusion that LA PRENSA presents "a terrifying image of present-day Nicaragua." If the topics negative to the government are added up, then the result is that 81 percent of the supposed news is, in fact, highly sophisticated propaganda. Only 6 percent can be characterized as positive toward the present sociopolitical process and the remaining 13 percent have the function of presenting an image opposed to the present project of socioeconomic and political transformation."<sup>2</sup> Nevertheless, the statement by that author that the propagandistic strategy of LA PRENSA "is alarmingly similar" to the strategy employed by the CIA and Chilean reactionaries against Allende from 1970 to 1973 by means of the conservative newspaper EL MERCURIO--which played an important part in the destruction of the Popular Unity government and it is the strategy implemented by the Jamaican newspaper THE GLEANER during the election campaign against Michael Manley's Reformist Party--is, however, more threatening than these figures. Owing to the fact that in the interim it is now public knowledge that A. Edwards, editor of EL MERCURIO at that time, was an "old ally of the CIA"<sup>3</sup>, that the psychological warfare campaign in Chile was the product of CIA strategists and, also, that its basic characteristics coincide primarily with other United States clandestine operations since World War II (from Italy in 1948 through Guatemala in 1954 to Chile in the period from 1964 to 1973), then there should be little doubt concerning who is behind LA PRENSA's policy.

Pedro J. Chamorro, Jr., the present editor of the newspaper, is cynically aware of the power and protection of his international allies. "I know that one day the Sandinists are going to shut down my newspaper. But that will be the beginning of their end."<sup>4</sup>

Actually, in view of the fact that up to now all the campaigns of the reactionaries--for elections, against supposed violations of human rights, and so on--have failed, it would be very useful to the counterrevolution, if the government should proceed against LA PRENSA. Up to now, the Sandinists have been too cautious to fall into the trap, but it is obvious that it is essential for the revolution to stop this offensive by the reactionaries. Even if one does not agree with the conclusions of L. Kirkpatrick, inspector general of the CIA for almost a decade, that "clandestine operations are as dangerous in their way as nuclear weapons" and that "a handful of men with a brilliant idea can do more damage than an army,"<sup>5</sup> the success that this kind of operations by the CIA has had in southern Europe, Indonesia and, most of all, in Latin America, is so evident that its dangerous effectiveness must not be underestimated.

Imperialism's propagandistic-psychological warfare, whose objective consists in identifying "the left, Marxism and socialism with crime and criminal violence" for the purpose of creating "anxieties and primitive panic" (neurotic)<sup>6</sup> in certain social classes, is supplemented by a number of economic pressures, political measures (isolation) and paramilitary activities, which (owing to lack of space) cannot be examined here. Consequently, we shall limit ourselves to a discussion of some aspects of the probable development of the strategy, as it is said to be planned by imperialism.

If the FSLN should be inclined to agree to the demands of domestic or international reactionaries--demagogically disguised as demands for a "pluralistic society," a

"mixed economy," and so on--and for the model of society and domination that is behind them, that is to say, if the FSLN were inclined to renounce its hegemony in the process of social change, then the policy of the United States would have succeeded in aborting the Sandinist revolution, just as the Socialist International achieved it in "the revolution of the carnations" in Portugal. A radicalization of the process would be impossible.

But if the FSLN maintains its hegemony, an increasing polarization between the various sociopolitical forces and a physical confrontation between the revolutionary and counterrevolutionary forces--that is to say, between the Sandinist state (and mass organizations) and the organizations and representatives of the counterrevolution--would become inevitable.

United States imperialism would respond to that kind of situation with an intensification in its policies of destabilization at the four above-mentioned levels and would probably immediately start the second phase of its strategic plan, the paramilitary phase. As has been shown by every historical experience, defense of the revolution would then be possible only by means of a policy of "war communism" or of a Jacobinic dictatorship, that is to say, with maximum centralization of the state's authority, with a strict administration controlled by the state of the national economy and with a consistent, sustained control of all domestic opponents. Nevertheless, once that policy has been imposed and is supported by a well-disciplined, armed mass movement--a people's militia with 200,000 fighters and an army with 50,000 members (because this has been planned)--then the Sandinists could not be defeated by a paramilitary force.

Thus, if the present American Government should decide to start the second phase of its strategic plan, then it would have three options left: it could accept a military defeat (as in Cuba in 1961) and cancel the entire strategic plan, it could start phase C and attempt a military victory by means of a massive use of its regular armed forces or it could start phase C and attempt to achieve a political victory by means of combined political-military actions.

Obviously, the first option can be discarded. The second one is not very likely either. Because the Reagan Administration will be unable to obtain a mandate from the OAS or from the United Nations, or, more specifically, a disguise for a mass intervention by regular troops, the invasion would have to be with United States forces. When the vastness of the "task" is considered, the invasion would entail a major war effort, with severe political implications within and outside the United States and thus its nature would be that of a final equation. The third option, however, is the one that would probably be instrumented and the following would be its operations scenario: a major paramilitary operation across the Honduran border, supplemented by a similar advance across the border with Costa Rica and an amphibious beachhead in the socioeconomically and politically backward regions in the Atlantic area (for example, in Bluefields), which have been the traditional targets of United States military interventions. These attacks might occur simultaneously or they might be staggered, but, in any case, they would be supplemented by acts of sabotage within Nicaragua by local subversive cells. Parallely, an intensive campaign of psychological warfare and of air attacks provided by camouflaged United States war aircraft from the Panama Canal Zone, Honduras and Costa Rica would be carried out. Owing to the fact that a quick military outcome is not very likely, even with the participation of the Honduran Armed Forces, the

phase C operations would be directed toward the rapid installation of a counter-government in some remote area on the Atlantic coast. The next step would be to ask for international diplomatic recognition of this spurious government. These events would give rise to anti-American demonstrations all over the world, but especially in the neighboring countries. Attacks with bombs--in part "real," in most cases instigated by the CIA--on United States facilities in "sensitive areas" like Panama and Mexico would contribute still more to a scenario of generalized warfare and subversion in Central America, threatening not only the "lives and property" of United States citizens in the isthmus, but also the "national interests" of the United States (the Panama Canal, for example) and "security of the western hemisphere." Then the United States Government would recognize the opposition government, just established, would protect it by a naval force and would request that the conflict be settled before a supranational agency (either the OAS or the United Nations), while it would set up a sea blockade, in order to prevent "foreign intervention." The final outcome of these operations would consist in the forced holding of general elections under international supervision. The revolution, which cost so many lives, would have to adapt itself to the procrustean bed of middle-class institutions and it would be suffocated, as the Portuguese Revolution was suffocated in 1974.

#### FOOTNOTES

1. Department of State Bulletin, Vol 81, No 2050, May 1981, p 70.
2. Claudio Duran, "Psychological Warfare in Nicaragua," LINKS, August 1981, Offenbach, Federal Republic of Germany.
3. T. Powers, "The Man who Kept the Secrets: Richard Helms and the CIA," Pocket Books, New York, 1981, p 291.
4. STERN, Hamburg, June 1981, Federal Republic of Germany.
5. T. Powers, idem, p 131.
6. The topics used by EL MERCURIO were: 1. need for law and order; 2. Marxist violence; 3. ineptitude of Popular Unity; 4. attacks on democracy by Popular Unity; 5. international failure of socialism; 6. distressed image of the world.

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CSO: 3010/296



## BRIEFS

ANDEAN COUNCIL ON CUSTOMS AFFAIRS--A Council on Customs Affairs [Consejo de Asuntos Aduaneros], to be composed of the customs directors from Bolivia, Colombia, Ecuador, Peru and Venezuela, has been created as a step toward removing obstacles to inter-Andean trade and standarizing the structure of the expanded Andean market. At the close of its 33d period of ordinary sessions, the commission of the Cartagena agreement approved resolution No 165, which creates the council which will be an advisory body to other Andean group institutions. The council will be in charge of coordinating and harmonizing national customs laws and [word indistinct] cooperation under a permanent system. [Text] [PA131429 Quito Voz de Los Andes in Spanish 1230 GMT 11 Dec 81]

CUBA-ECUADOR COFFEE AGREEMENT--The Cubaexport [Cuban Enterprise for the Export of Foodstuffs and Various Products] and the Ecuadorean exporting firm (Ontaneda), have signed an agreement in Quito by which Ecuador will export 1,510 tons or robust coffee to Cuba. Ecuadorean Commerce and Industries Minister Orlando Alcivar and (Jose Ross), Cuban charge d'affaires in Ecuador, stressed that the agreement will contribute to the consolidation of trade relations between the two countries. [Text] [PA131925 Havana International Service in Spanish 1800 GMT 13 Dec 81]

CSO: 3010/491

## EDITORIAL EXPOSES CASTRO AS LIAR

Buenos Aires LA PRENSA in Spanish 3 Dec 81 sec 2 p 1

[Editorial: "New Lies From Fidel Castro"]

[Text] With his typical effrontery, Fidel Castro just denied that his government has sent 600 troops from its special forces to work with the Salvadoran guerrillas. He did it in a letter published by THE WASHINGTON POST in response to a note from last September signed by two of its columnists, describing the Havana regime's new contribution to the communist subversion in the hemisphere.

Castro did not confine himself to merely denying, but rather he took advantage of the moment to launch a gross salvo of insults at the United States, accusing the State Department of having given "false reports" to THE WASHINGTON POST columnists, while he challenged the White House to present, he said, even "one single piece of evidence supporting its slanderous accusations." In his letter Castro feigned ignorance of two facts, the first that the accusation of his meddling in El Salvador did not come from the State Department, but rather from a press agency which frequently does not spare the North American government its severe criticisms. The confusion is easily explained, since the press in Cuba is an administrative wheel of the state. The second fact is the recognized, widespread and proven Cuban military participation, not only in Central America and in the Caribbean, but in other parts of the world as well. At the end of 1979 Cuba had deployed troops, technicians and instructors--over 50,000 men--in a dozen countries in Africa and the Near East, in fulfillment of an overseas military operation fortuitously assigned by Moscow.

A little over 4 years ago, at the time of Angola's fall into the Soviet Union's sphere, the revelation that the intervention of 15,000 Cuban troops in the military operations had decided the immediate fate of the former Portuguese colony ended the disbelief of those--and they weren't few in number--who held that the presence of Cuban troops in Angola did not exist beyond the imaginations of the agents for North American imperialism.

It was necessary for Moscow to publicly congratulate Havana for its "glorious participation" in the "war for liberation of the African state" for the fact to be finally conceded. Afterward came Mozambique, Equatorial Guinea, Guinea-Bissau, Ethiopia and South Yemen, within a few years forming part of a generalized interventionist policy that not even its supporters still tried to deny.

Castro's lying is not gratuitous. With his lies and accusations he tries to obscure the painful reality of his economy and the low standard of living of the Cuban people, who, after 20 years of "liberating revolution," are subjected to permanent rationing of food, clothing and shoes. Since 1960 the gross national product "per capita" has been declining in Cuba on the average of 0.2 percent annually, despite the huge subsidy proffered by the Soviet Union. Before Castro came to power, Cuba held third place in the hemisphere for per capita GNP. As a parallel, the intrinsically military nature of the Havana regime has become firmly entrenched. The number of armed troops--around 140,000--exceeds that of all the countries in the hemisphere, with the exception of Brazil (Cuba has 10 million inhabitants and Brazil 125 million). More than 50 percent of the Cuban population is under 15 years of age, and of the remainder, two-thirds are women, elderly and infirm. The militarization of the regime fits together with the deficit in the work force.

A few months ago the Cuban Government accused the United States of having spread the dengue fever mosquito in the island. Havana hid a fact easily verified by the Pan American Health Organization, that dengue fever was introduced into Cuba by the Cuban soldiers returning from Africa. Last 17 July, the U.S. secretary of commerce processed in 1 day an application by the Pan American Health Organization for a license to export to Cuba 300 tons of "abate," a granular insecticide manufactured in the country to the north, which is being used to fight the dengue epidemic. A similar case of false denunciation was reported during the repeated failure of the sugar cane crop. Castro accused the United States of fomenting a plague of sugar cane smut, when in fact the cause of the disaster was the planting of a variety of cane that is not resistant to the action of the small parasitic fungus.

9730

CSO: 3010/419

## SOLOMON, SDP RESIGN AS OFFICIAL OPPOSITION, FNM GETS NOD

## Knowles Defection

Nassau THE TRIBUNE in English 12 Nov 81 p 1

[Article by Gladstone Thurston]

[Text]

**THE FREE National Movement has been returned as the Bahamas' official Opposition following last night's resignation from the Social Democratic Party of Clarence Town Member of Parliament James Knowles.**

SDP chief Norman Solomon this morning tendered his resignation as the official Opposition leader during a half-hour meeting with Governor-General Sir Gerald Cash at Government House.

At the same time, SDP Senator Jeanne Thompson tendered her resignation as the official Opposition leader in the Senate. SDP deputy leader Keith Duncombe was on hand "to give moral support."

"I believe that the Free National Movement under the leadership of Mr Kendal Isaacs is a party that will form the next Government of the Bahamas," Mr Knowles told reporters. "I am convinced that in the next general elections the Free National Movement can win a majority of seats in Parliament."

Up to last night, the SDP was the official Opposition by virtue of having the support of four of the seven opposition Members of Parliament in the House of Assembly. The

resignation of Knowles from the SDP and his acceptance by the FNM gives the latter party the one-member majority that the former enjoyed since it broke away from the former official Opposition Bahamian Democratic Party (now defunct) in late 1979.

Knowles' decision also results in the SDP Senators -- Miss Thompson, Dr Cleveland Encas and Basil Christie -- having to vacate their seats in that legislative body as the appointment of opposition Senators is prerogative of the official Opposition party.

The SDP earlier this year lost two of its Senators -- Dr David Sands, the candidate for Rock Sound, and lawyer David Thompson -- to the FNM. Also, an Action Committee named by the SDP has been plagued with defections to the FNM from the very start.

It had been rumoured for quite some time that Mr Knowles intended to switch to the FNM. He spent five days in his constituency last week briefing Long Islanders of his intention to join the FNM.

After "months of agonising deliberations and discussions" with scores of Bahamians inside and outside the political arena, Mr Knowles said, he wrote to the Governor-General

"informing him of my decision to withdraw my support from Mr Norman Solomon as leader of the official Opposition and further informing him of my support of Mr J Henry Bostwick as leader of the Opposition in Parliament, both effective today."

"I have also written to the Social Democratic Party officially resigning from that party and have made application for membership in the Free National Movement," Mr Knowles said.

Mr Knowles said he was convinced, that the big PLP majority has enabled the PLP "without shame and fear of repercussion, to go on a dictatorial rampage designed to wreck the economic and social structure as well as the moral fibre of this country."

Despite their being outnumbered 31-4 by the PLP, Mr Knowles said he and his former colleagues in the SDP "without exception, have in every respect carried the responsibilities and discharged the duties of the official Opposition remarkably well."

He said he foresaw that the ruling Progressive Liberal Party will be at considerable advantage in the upcoming general elections if the Opposition forces remain



divided.

"It is my humble opinion that the presence of two major opposition parties in opposition to the PLP, whether they oppose each other in the various constituencies or not, is bound to give an undue advantage to the PLP," Mr Knowles said. "The only hope of defeating the PLP will rest on a one-on-one battle between the PLP and a single opposition party."

"My observation of the political climate of the country over the past six to eight months tells me that the Free National Movement and not the Social Democratic Party is the political force which is most likely to be successful in defeating the PLP."

However, he said he observed that the FNM as it presently stands, while the more formidable force than the SDP, "is not strong enough .... to defeat the PLP. I believe that the Free National Movement must be further strengthened and move or immediately gear itself for the upcoming general elections."

Mr Knowles noted that there was no material, philosophical or ideological difference between the SDP or the FNM. In the eyes of the Bahamian people, he said, there is no distinguishing feature between the two groups except that they have different names and different leaders.

At the meetings he held throughout Clarence Town over the past weekend, Mr Knowles said, "without reservation whatsoever, my constituents expressed to me their total and complete agreement with my own views."

Speaking briefly with The Tribune this morning following his meeting with the

Governor-General Sir Gerald, Mr Solomon said he felt a bit relieved that he is no longer the official Opposition leader, a job which he said took up nearly 24 hours a day.

"Personally, I sort of feel that circumstances have now relieved me of an enormous amount of work," Mr Solomon said. "Apart from that I can only say that I wish Mr Knowles and the FNM well."

"But having read his (Knowles') press statement wherein he states that it is his conviction that the FNM is going to win the next elections, which is one of the major reasons for his joining them as a political realist I can only say that I seriously doubt that the outcome will be as he predicted."

"What the SDP intends to do is to be available, because we believe that our presence may be a very vital and necessary presence if the FNM should get, more or less, totally vanquished by the PLP. I am by no means convinced that the FNM is going to make any headway against the PLP."

Mr Solomon also criticised the FNM for making the road to Parliament difficult for Miss Thompson and Mr Duncombe.

"It continues to be my personal view that the leadership of the FNM has not responded maturely or even intelligently to the suggestions we put to them," Mr Solomon said. "Why would they oppose Mr Duncombe in Shirley. They still can find no way to make room for Jeanne Thompson. Jeanne Thompson would have made a super candidate for Salem. I don't think that the FNM is playing fair with the people. The country needs people like Jeanne Thompson and Keith Duncombe," he said.

## Solomon Reaction

Nassau THE TRIBUNE in English 12 Nov 81 p 1

[Text]

NORMAN Solomon last night told a broadcast audience over Radio Bahamas that due to the resignation of Jimmy Knowles from the SDP he would no longer be official leader of the Opposition.

And he vowed that the SDP would not fold up but would continue to give "a strong, vocal and fearless voice" of opposition both inside and outside of Parliament.

But he said the SDP would only field five candidates in the districts of St John's, Shirlea.

Montagu, Marsh Harbour and North End-Long Island in the general elections next year.

However, he also held out the possibility of forming a coalition government with the Free National Movement under Mr Kendal Isaacs should that party win enough seats in the 38-member House of Assembly to oust the Progressive Liberal Party of Prime Minister Pindling.

Mr Solomon said he had appealed "time and again" for a united opposition to be

formed, but had not had any success from the FNM quarter.

Said Mr Solomon: "Throughout the Bahamas our citizens in ever-increasing numbers cry out for a united opposition and a change of government. The best economic and moral interests of our country have long demanded a united opposition and a change of government. The unemployed, unmotivated, undirected and under-educated youth of our country now demand a united opposition and a change of government. We had hoped that the action of greater unification we proposed last week might at the very least have enhanced the possibility of achieving that change in government."

## FNM Election Outlook

Nassau THE TRIBUNE in English 12 Nov 81 pp 1, 13

[Article by Anthony Forbes]

[Text]

FNM Parliamentary chief J Henry Bostwick, soon to be named Leader of the Official Opposition, today welcomed Clarence Town MP James Knowles' return to the party saying it reflected the growth and strengthening of the FNM at all levels of the Bahamian community.

The return of Mr Knowles to the party is further evidence of the growth and strengthening of the party at every level of the Bahamian community both in New

Providence and the Family Islands," Mr Bostwick said in a press statement.

"We can see clearly that the people are ready for a change and together with our Leader, Kendal G L Isaacs, we are aware of our grave responsibility to give them an unencumbered opportunity to effect that change," he said.

Mr Bostwick's statement follows last night's announcement by Mr Knowles that he had resigned from the Social Democratic Party and had thrown his support behind the Free National Movement

making it the Official Opposition.

As Parliamentary Leader of the FNM, which under the discarded BDP-FNM lost the position of Official Opposition when four MPs, including Mr Knowles, resigned in 1979, Mr Bostwick is expected to be named soon as Leader of the Official Opposition.

FNM spokesman Arthur Foulkes said today that Mr Bostwick's expected appointment as Official Opposition Leader will not affect the position of FNM Leader Kendal Isaacs, who will

remain in the post as party leader.

In his press statement today, Mr Bostwick extended a "warm and sincere welcome" to Mr Knowles and said the party looked forward to working with him again in and out of Parliament.

"I would like also to congratulate Mr Knowles for the courage he has demonstrated in making this decision," Mr Bostwick said. "No doubt he has in the last few weeks been under considerable pressure, but he has come through doing what he thought best in the interest of the country."

Mr Bostwick said that Mr Knowles had earned greater respect than ever in the country and with his people in Clarence Town "and I believe that he will continue to represent that constituency for many years to come."

"He will, of course, fully resume his rightful place in the councils of our party," said Mr Bostwick.

He said that it was likely that Mr Knowles' decision which has been communicated to Governor-General Sir Gerald Cash will bring about a change in the parliamentary Opposition which will affect the status of the FNM in parliament.

The resignation of Mr Knowles, who won the Clarence Town seat in the 1977 elections under the now defunct Bahamian Democratic Party ticket and which later merged with the FNM, has led to the resignation of SDP chief Norman Solomon as Leader of the Official Opposition.

Mr Knowles' surprise move, (reported in yesterday's Tribune) which came three days after it was widely reported in the press, has also led to the resignation of three opposition Senators.

Before Mr Solomon's resignation following Mr Knowles' defection to the FNM, the former Opposition Leader had still one Senate seat unfilled which had been left open when attorney David Thompson resigned nearly two months ago.

It is not known when Mr Bostwick will be appointed Official Opposition Leader nor when he will name his four FNM senators, but it is believed that the appointments will be made before the next meeting of the House of Assembly on Wednesday, November 18.

It will be the second time since the founding of the FNM that the party has had a party leader and an Official Opposition Leader, the precedent having been set after the 1972 elections when the then party leader Cecil Wallace Whitfield lost his seat but held the post of party leader, while Mr Cyril Tynes became Leader of the Official Opposition.

Although no names have emerged as the top contenders for the Senate appointments, it has been speculated that former PLP House Speaker Arlington Butler, former Senators Mrs Janet Bostwick and Mr Orville Turnquest, and FNM Chairman Cecil Wallace Whitfield, may be in the running.

It is understood that FNM Leader Kendal Isaacs is not likely to be named to a Senate appointment as he is presently working in the country gathering support for the party for the next general elections scheduled for 1982.

Mr Isaacs, who led the FNM from 1973 to 1976, left the island this morning for a series of "Time-For-A-Change" rallies in the Northern Long Island constituency.

He leads a group of FNM

officials including Mr E K Minnis, the party standard bearer for that area in the 1982 elections, Mr Cecil Curling, Mr Frank Watson, Mr Tennyson Wells and Mr George Wilson.

The group, which will return on Sunday, will hold rallies in Miller's, Simms, and Glintons, Long Island.

Mr Whitfield, who led the FNM in the 1972 and 1977 general elections, has not won a Parliament seat since he lost to Mr Bruce Braynen, St Agnes MP, in 1972.

As Chairman of the FNM, Mr Whitfield may well be made FNM Senate Leader. However, he earlier declined such a position.

Mr Butler joined the FNM last year after three years in the political wilderness following his rejection by the PLP in 1977.

Both Mr Turnquest, who served as Opposition Senate Leader, and Mrs Bostwick, have served in the Senate before and resigned when Mr Knowles and the three remaining SDP MPs defected in 1979 to form the SDP and become the Official Opposition.

But FNM spokesman Arthur Foulkes said today that Mr Bostwick will have to be named as Official Opposition Leader by Sir Gerald Cash before any Senate appointments can be made.

"We will have to sit down and talk about it," Mr Foulkes said, adding "it is likely that they will be made before the next meeting of the House."

He said that the most important work by the party is in the country as the party's prime objective is to gather support for the next general elections.

Mr Bostwick's expected appointment will be the second time in four years that he will have assumed the post of Official Opposition Leader.

## NATIONAL DEBT RISES 14.5 PERCENT TO HIGHEST LEVEL RECORDED

Bridgetown ADVOCATE NEWS in English 14 Nov 81 p 2

[Text]

Record increases in capital outlays pushed Government's overall fiscal deficit for the first half of this year to \$86.4 million as compared with a small overall surplus in the corresponding period of 1980.

And, according to the Central Bank, borrowing by Government to finance its operations led to a significant rise in the national debt of some 14.5 per cent to reach \$384.7 million — its highest level.

In its quarterly report for September, the bank said that the increase in the national debt for the previous year was only 1.3 per cent. Of the current amount, domestic obligations account for \$382.9 million, an increase of 16.3 per cent, most of which arose through a large rise in short-term loans.

The bank said that project finance from the United Kingdom and international institutions led to a rise in the foreign component of almost 11 per cent, compared with a 2.3 per cent growth in the first half of last year.

It noted that large increases in current expenditure, combined with the slower growth of revenues, reduced the current surplus to \$24.3 million, well below the \$49.6 million achieved in the first six months of the previous year.

The report said that capital

expenditure of \$112 million was more than twice the amount for the first half of 1980, when it grew about three per cent. This was the largest increase ever recorded and reflected widespread cost overruns superimposed on a massive capital programme.

In some cases, the report added, bad weather caused delays and pushed up costs; in other cases, costs had been seriously underestimated from the start of the project.

For example, the total spending for the regional cultural extravaganza, CARIFESTA originally planned for \$8 million, turned out to be well over \$20 million, of which some \$6.8 million went towards upgrading schools and other locations for the presentation of programmes.

Outlays for the Holiday Village project being built at Heywoods, St. Peter, had risen by the end of June to almost \$10 million. This project is now expected to cost \$87 million, instead of the budgeted \$35 million.

Work on the Bridgetown Sewerage Project, which is nearing completion, was delayed by heavy rains and other factors; the total costs were \$6.8 million for the six-month period, January to June. This project will now cost some \$42.8 million instead of the

revised estimate of \$39.8 million. (The original estimate of \$27.2 million was raised in February when it was realized that costs had been substantially underestimated).

The National Housing programme absorbed some \$5.2 million, while \$4 million went towards increasing factory space at industrial estates.

The new General Post Office accounted for \$2.2 million; it may now cost \$13.5 million instead of the budgeted \$9 million. The Samuel Jackman Prescod Polytechnic with expenditure of \$2.4 million, was the only project to stay within the budgeted cost.

A larger wage bill and rising transfer payment lifted current expenditure by 30 per cent to \$220 million by the end of June; current spending rose by only 7.6 per cent in the same period of 1980. Mainly because of higher old age pensions and national insurance benefits, social security and welfare payments rose by 44.3 per cent.

In April this year, old age pension rates went up by 40 per cent and there was a general increase in national insurance benefits. Expenses related to the National Health Scheme raised spending on health by 26.4 per cent, while community and social services rose by 12.5 per cent.



## MAJORITY OF CDB LOANS GO TO BARBADOS; BMC LOAN DROPPED

Bridgetown ADVOCATE-NEWS in English 13 Nov 81 p 1

[Text] Sixty one percent of all loans disbursed by the Caribbean Development Bank (CDB) to the private sector in the region, has been allocated to businesses in Barbados.

President of the Bridgetown-based CDB, Mr William Demas, said yesterday that this high percentage of CDB funding to Barbados was because the private sector here had put up better projects for financing than the others in the region.

Mr Demas was speaking shortly after signing an agreement on behalf of the Bank, for a Bds \$6 million to the Barbados Sugar Factories Limited to assist with construction of the new Portvale sugar factory.

According to Mr Demas, "When you look at all our lending to the private sector both direct....and indirect through the National Development Banks, you will find that Barbados has got 61 per cent of all the Bank's lending to the private sector, and we are now working hard to increase lending to the private sector in the other countries so they can come nearer to the Barbados percentage."

Mr Demas said that at the end of last year, total CDB financing to Barbados amounted to Bds \$41.4 million, and that a spurt of activity in relation to the financing of projects here this year, had pushed the total to Bds \$70.5 million.

This is, however, expected to decline as a result of the cancellation of a CDB \$4.2 million loan to the Barbados Marketing Corporation (BMC).

The CDB President explained that of the \$29.4 million in loans approved this year, some \$21.4 million or 73 per cent had gone to the private sector, while the remaining \$8 million was in the form of a programme loan for balance of payments support under the Caribbean Development Facility.

Mr Demas also referred to the present impasse between the 61 African, Caribbean and Pacific (ACP) States and the European Economic Community (ECM) over the failure by the two to reach agreement on a price for ACP sugar exports to the Community.

Mr Demas said: We, however, are confident that an agreement will be arrived at that is acceptable to all parties concerned and which will serve to enhance the viability of the sugar industry in the Caribbean and other parts of the ACP."



## VISITING ALARCON SAYS CUBA WILL REMAIN AREA GOOD NEIGHBOR

Comment on Jamaica, Dominica

Bridgetown ADVOCATE-NEWS in English 18 Nov 81 p 2

[Text]

Cuba says that despite the break in relations with Jamaica, it would continue to be a good neighbour to the Caribbean island.

Cuba's deputy Foreign Minister Mr. Ricardo Alarcon said so in Barbados yesterday. He was speaking to the press at the Accra Hotel, Christ Church.

Two weeks ago, the Edward Seaga Government in Kingston broke off relations with Cuba over what Mr. Seaga said was that country's harbouring of Jamaican criminals in Havana.

Mr. Alcaron said that

Jamaica was Cuba's closest neighbour in the Caribbean, and explained that co-operation between the two countries had existed long before the two states established diplomatic ties in 1972.

He said that peoples from both countries had benefited in public health, construction, agriculture, and education among other matters.

"Unfortunately the Jamaican Prime Minister (Edward) Seaga decided to interrupt those links, and since Cuba could not see any Jamaican reason or

interest for this, has concluded that something else suggested that to Seaga," the Cuban Minister said.

He went on: "However we will continue to be good neighbours, associated by our history."

Mr. Alcaron also touched on the decision of Dominica Government to refuse scholarships offered by the Cuban Communist Party for Dominicans to study in Cuba. The Dominican Government has said it would not accept the scholarships on the grounds that recipients had to study Marxism

which forms part of the programme of studies.

He said the decision by the Dominican leader Miss Eugenia Charles was unfortunate, and stated he did not think it was right for anyone to deny young Caribbeans their rights to further their education.

He said he hoped the Dominica Government would be able to find alternative scholarships for those which were offered by Cuba, adding that his country has not hesitated to accept study programmes for Cuban students in capitalist countries.

## Editorial Comment

Bridgetown ADVOCATE-NEWS in English 18 Nov 81 p 4

[Editorial: "Alarcon and His Confusion"]

[Text]

Cuba's Deputy Foreign Minister, Ricardo Alarcon, might have been a subject for amusement in his comments about the Caribbean Basin Initiative (CBI), if he had not been so obviously grinding his country's axe against the United States.

He had a lot to say about a plan which can include his country but for which neither Cuba nor her puppet master, the Soviet Union, has a comparable or any alternative.

Mr. Alarcon was on the Barbados leg of a swing through the Caribbean on Tuesday when he told a press conference that the CBI had received much publicity, but so far, the main initiator of the scheme, the United States, had not considered it necessary to explain the idea behind the proposed scheme.

He interpreted the intention as an attempt to avert social turmoil in the area and that the main content of the programme was to boost private investment in the Caribbean. He continued: "This CBI matter is one of the elements which led me to refer to the fact that efforts are underway to recolonise the Caribbean." And he expressed the opinion that based on experience in the Caribbean, and in general, U.S. private investment is not something which would result in any positive gain for the Caribbean.

The CBI as explained by United States officials who visited Barbados last month intends to concentrate on increasing trade and industry in the Caribbean and Central American region, in addition to and apart from direct aid inputs.

The plan will go beyond development assistance. Such assistance from the United States to the Eastern Caribbean through the United States Agency for International Development (USAID) has since 1978 been on average US\$25 million annually. This is expected to be increased to US\$40 million by 1982. It is, however, felt that this is not enough to bring about an end to the economic problems now plaguing the region.

Hence the CBI scheme. The Caribbean Basin Initiative hopes to introduce an approach that is "market oriented", based on the limitless potential

of free, private enterprise coupled with an approximately gauged public sector. The idea is to create more industry in the region through investments involving foreign entrepreneurs, local investment and a greater export of products.

It is expected that such an approach will create more jobs within the region. This should go a long way towards tackling unemployment, which is one of the area's main economic problems.

The U.S. officials pointed out that aid to the region would not decline nor will aid from other donor nations. Nor will private investment be substituted for official aid. The plan is for private aid to be added to official aid.

It is expected that through improved trade and investment opportunities the countries of the region will be able to make the most effective use of their productive resources and, in so doing, bring economic growth to their economies and prosperity to their people. A thriving private sector will be a vital part of such a development.

The nations involved in the plan have made a commitment to assist in the economic development of the Caribbean Basin and to consult with the nations of the region prior to developing any bilateral or multilateral programmes.

The four nations involved in the Caribbean Basin Initiative are the United States, Canada, Mexico and Venezuela.

Thus the validity of Mr. Alarcon's criticism can be assessed by the fact that his diatribe is directed solely against the United States with whom Cuba is at odds. With that illogical omission he has relegated these other three countries to the status of satellites of the United States. Perhaps his experience in his country now under dominance of the Soviet Union, conditions his arrival at this implication.

At best, Mr. Alarcon is uninformed — for the CBI has been explained in some detail. At worst he is spouting an ideological line divorced from objectivity and logic. In either case he is certainly undiplomatic.

## VENEZUELA TO GIVE FINANCIAL AID FOR SUGAR TECHNOLOGY

Bridgetown ADVOCATE-NEWS in English 19 Nov 81 p 1

[Text]

Barbados is to receive an undisclosed sum in financial aid from Venezuela in return for the provision of technical assistance to that country's ailing sugar industry.

A four-member delegation from CENAZUCA — the state-owned corporation which owns 12 of the 17 sugar factories in Venezuela, is now in Barbados for discussions with Government officials and representatives of the Barbados Sugar Producers Association (SPA).

An agreement is expected to be signed in about a month or two, during which time a specific figure would have been worked out as well as the exact nature of the assistance which Barbados will lend the South American republic.

Speaking through an interpreter, Dr. Francisco Lozado Perdomo of CENAZUCA, indicated that the Venezuelans were especially interested in obtaining mechanical harvesters to assist with the reaping of their crop.

He said the discussions would also deal with the possibility of Venezuela buying a certain amount of brown sugar from Barbados. The amount has not yet been determined, but earlier reports had indicated that the

in sugar production since the 1973-74 crop. At that time, the industry produced some 530 000 tonnes of refined sugar, but this year, the total had fallen to a mere 263 000 tonnes, while the national consumption averages some 680 000 tonnes per annum.

Among the major reasons for the decline, he said, was the cost-price squeeze, which resulted in many sugar producers turning to other crops such as rice, corn, tomatoes and potatoes. Moreover, he added, some of the technical staff, both in the fields, and the factories, went into other economic activities in an effort to earn better money.

The producers were also forced to start a pest control and reaping programme to deal with pests and cane diseases.

However Dr. Perdomo said that under a new programme which was finalised in July this year, the Government was hoping to reach a production figure of one million tonnes of sugar within the next seven years.

He disclosed that starting Venezuelans wanted between 20 000 and 25 000 tonnes of sugar.

It was disclosed that the Venezuelans have been experiencing similar problems to those which obtained in Barbados, and Dr. Perdomo pointed out that there has been a decline

from September 1 this year, the Government increased the price of sugar to the equivalent of US\$872 per tonne and subsidises the sugar producers.

The key elements of the new programme will be the construction of four more sugar factories, over the next three years, each with a 100 000 tonne capacity per annum, which should help the country to reach the one million tonne target.

Dr. Perdomo said the Venezuela Government was not expecting to use the Barbados harvesters for the next crop, but it was possible that the producers may use the three they already have. And, depending on the interest shown by the producers, they would be considered for the following crop, and such interest would also be the determining factor in deciding on how many would be required from Barbados.

There are some 20 000 acres of sugar cane under cultivation in Venezuela and the crop starts during the first week in November and ends in May.

Dr. Perdomo said the Venezuelans had great respect for the Barbados cane varieties, samples of which they have been receiving each year since 1947 under the agreement with the Government's Variety Testing Station, and there have been very good results.

## BRIEFS

SUGAR FACTORY LOAN--The Barbados Sugar Factories Limited (BSFL) yesterday signed an agreement for a Bds \$6 million loan with the Caribbean Development Bank (CDB), to assist with construction of the new Portvale Sugar Factory, at Blowers, St. James. The loan, which is to be repaid over a 13-year period carries an interest rate of 10 and one-half per cent, with a grace period of one and a half years. Signing on behalf of the BSFL were Mr Tom H. Wilkinson, Chairman and joint Managing Director; Mr Louis Greenidge, also joint Managing Director; and Mr Hugh Johnson, Company Secretary. CDB's President, Mr William Demas, signed on behalf of the Bank. The loan will be used to assist in purchasing Turbo Alternators, a Diesel Generator, Switchgear and cables, a five roller Fletcher Stewart Mill, and two boilers. BSFL will be supplying Bds \$9.2 million in cash to finance the project whose overall cost could be about Bds \$20 million. The new factory is scheduled to begin operating next year, and it will replace two others--Vaucluse in St Thomas, and Porters, in St James--which have become obsolete, and which were closed at the end of this year's crop. Portvale will be able to grind an estimated 140 tonnes of canes an hour, and its mills will be far superior to those found at any of the other factories in the Island. [Excerpt] [Bridgetown ADVOCATE-NEWS in English 13 Nov 81 p 1]

CSO: 3025/77

## TEXT OF OPPOSITION REPLY IN PARLIAMENT TO THRONE SPEECH

Hamilton THE ROYAL GAZETTE in English 14 Nov 81 p 5

[Speech by Lois M. Browne Evans, leader of the Progressive Labor Party, to parliament on 13 November 1981]

[Text]

MR. SPEAKER,

The Bermuda Progressive Labour Party as the duly constituted Opposition would be remiss in its duty if we omitted to identify those areas in which Government has been guilty of mismanagement to the degree that the welfare of a great segment of our population has been placed in serious jeopardy.

The most glaring area of this mismanagement is in the area of housing. Thirty-six months ago Government promised that it will no longer tolerate the existence of substandard housing in our community and they went on to state that Parliament will be asked to consider a number of proposals virtually to eliminate these intolerable and unacceptable conditions. They promised a housing programme consistent with the aspirations of Bermudians which would become a reality in the foreseeable future. This year Government claims that it is making every effort to meet what they now accept is a critical need and seeks to make us believe that they regard housing as their top priority; but those families who have been evicted, and most times separated and faced with no housing at all, know that Government's promise of one-bedroom units for \$375 is still above their

means and that the 200 houses being built and the 100 houses promised will not be for them as they too will be beyond their means. Government's piecemeal approach to the whole question of housing gives rise to much despair amongst its citizens.

This mood of despair has been further accelerated by Government's mismanagement of the economy. Growth in the economy has been encouraged in the area of international business. This growth has been allowed to occur at the expense of Bermudians' needs in employment, housing and mortgage financing. Growth in the international sector requires highly skilled workers, office space and first class housing.

To date Bermuda's educational institutions have failed to provide sufficient highly skilled Bermudians to fill the technical and professional jobs created by growth in the international business. This failing should not be resolved with the short-term remedy of the importation of foreign workers for the high echelon jobs this policy creates. Mr. Speaker, the Government must not abandon the policy of Bermudianisation. The United Bermuda Party Government must be charged with the responsibility of reporting back to Parliament before

the next Throne Speech that several promising Bermudians are being groomed to fill more and more of the key positions created by this particular area of the economy.

While land, labour and capital was allocated to the construction of commercial premises, Bermudians were being evicted into the streets and families separated, causing more misery for the disadvantaged.

Those owners who rehabilitated their houses upon reletting were forced to charge the higher rents when reletting them. In most cases these rents were above the reach of those Bermudians most in need. Those who constructed new houses were in the same predicament. Funds available for construction were diverted into commercial developments. Would-be homeowners seeking mortgage funds either in Bermuda Dollars or U.S. Dollars discovered that there was an acute shortage and that the funds were unavailable.

In our 1980 Election Platform we said that we would have "orderly growth" in the international business sector. Further on in our Platform we said "A P.L.P. Government would encourage the orderly development of international business in



Bermuda especially in the development of the international insurance market".

Mr. Speaker, the present depressed nature of our tourist industry cannot be blamed solely on the recession in the U.S.A., stiffer competition from other resort areas but largely on Government's failure and mismanagement of their approach to industrial relations. Government's handling of the recent industrial dispute and to agree to a livable wage without a confrontation and the closure of our major hotels obviously did not assist the plight of our major industry of Tourism.

The Opposition will await further comment on the fostering of harmonious industrial relations until the presentation before Parliament of Government's intended legislation. In the meanwhile the Opposition calls upon Government to present to us copies of the draft legislation as we, too, are affected parties.

Drug abuse in Bermuda extends beyond the cases brought to light by the Police Service and the courts, whose duty it is to prosecute the offenders. It goes further than the need for our teachers or schools to wrestle with the problems of the young victims. In fact, its growth is yet another example of mismanagement by Government over the past decade. Programme after programme has been started and abandoned. The point has been reached where the Ministry of Health and Social Services must declare in the most forthright terms their assess-

ment of the drug problem in Bermuda. Their report on drug abuse in Bermuda should be couched in terms of prevention, detection, education and treatment. The Ministry should be prepared to give a full accounting on current programmes and the rationale by which it has been structured.

The P.L.P. Platform of 1980 made a plea for the thorough review of the traffic laws. In particular, those laws which would remove the discretion of the courts in sentencing or in punishment. The Minister agrees that these laws are in need of review and promises us a Green Paper on the topic. In the meantime, many persons are being affected daily by the loss of their licence and even imprisonment in the case of driving whilst disqualified. Numerous persons have appealed to the Minister of Transport for immediate relief of the harsh law of three years' disqualification for the offence of speeding in excess of 65 kilometres. The human suffering and anguish caused to many families by these harsh laws further adds to the sense of frustration and despair in the community. We need legislation now not a Green Paper followed by a White Paper and then legislation.

Mr. Speaker, Government's promise to undertake a survey of Bermuda's arable land and to produce an Arable Land Local Plan comes at a time when most of the arable land has already been built upon by the speculators. Government's earlier policies seem to have gone by the board.

Mr. Speaker, in conclusion, we note the promise by Government of the following legislation during this session:

- (a) A Cost of Credit (Disclosure) Bill;
- (b) A Bill to replace The Education Act 1954;
- (c) Amendments to The Stamp Duties Act; and
- (d) A Bill to modernise the practice of conveyancing.

It is the hope of the Opposition that these Bills will be forthcoming for in the past years Government has used one excuse or the other to cover up their lack of a prop-

er legislative programme for the year. One comes to Parliament with the only certainty being that the estimates of revenue and expenditure will be presented to the House in February of each year. Government's financial year ends on the 31st March and it is imperative that estimates of revenue and expenditure be passed by both Houses before that date. We, the Opposition, call upon the Premier and his Cabinet to sit down and seriously map out the legislative programme of activities that can be followed and which can ensure that the quality of life for Bermudians, in general, will be enhanced and enriched.

\* \* \*

Delivered this Thirteenth Day of November, 1981

by

Lois M. Browne Evans,  
L.L.B., J.P., M.P.  
Opposition Leader  
For and on behalf of the Progressive Labour Party

## VISITING AZORES PRESIDENT BACKS CLOSER TIES

Hamilton THE ROYAL GAZETTE in English 14 Nov 81 p 3

[Text]

The President of the Azores left Bermuda yesterday but not before committing himself to closer ties between the two archipelagoes.

And at a Press conference held at the Cabinet Building, President Dr. Joao Amaral said direct transportation links between Bermuda and the Azores were fundamental to any future plans.

Dr. Amaral left Bermuda yesterday to return to the Azores following a five-day official visit.

Premier the Hon. J. David Gibbons visited the Azores last year, and since then both countries have been seeking means to strengthen ties both culturally and economically.

"The relationship between Bermuda and the Azores has increased since Mr. Gibbons visited us last year," said Dr. Amaral, adding that discussions were held this week with a view to further developing the relationship.

"We considered also trans-

portation links which are fundamental for the improvement of our relationship," Dr. Amaral said. "Both governments will try their best to get regular sea and air transportation between the two archipelagoes, which will help tourism and trade."

There are no current direct transportation links between the countries.

Dr. Amaral said that other topics discussed by the two leaders were:

- Provisions to offer Bermuda students Portuguese as an optional language in Bermuda's secondary schools. The local Portuguese population, of which most have ties with the Azores, stands at 10,000.

- The effects of the world economy and the energy crisis on small economies like Bermuda and the Azores.

- The progress of the Acorean community within Bermuda society.

- Questions relating to Acorean citizens working in Bermuda.

The Azores are historically similar to Bermuda in that it is a colonial island community attempting to develop from an agrarian society.

Dr. Amaral said there are lessons to be learned from Bermuda, especially relating to the tourism and international business industries.

"I was most impressed with the achievement of tourism in the Island," Dr. Amaral said, noting that it was of "high quality".

He added that during his visit an Acorean trade mission was in Bermuda attempting to promote Acorean export products.

"We are also a small archipelago looking for possibilities for development," said Dr. Amaral. He added that it has already been agreed Bermuda would provide technical assistance to the Azores in developing tourism.

He congratulated the local Acorean community for their achievements within Bermuda society.

Dr. Amaral left for Boston for the weekend before returning to the Azores next week.

## PROSPECTS FOR PARTIES IN 1982 ELECTIONS EXAMINED

Brasilia CORREIO BRAZILIENSE in Portuguese 29 Nov 81 p 4

[Text] Rio de Janeiro and Sao Paulo are the only two states where all existing political parties could as of now present complete slates for the 1982 elections, complying with the new government rules contained in the proposal for linked voting and requiring a full slate of candidates for governor, lieutenant governor, senator, federal deputy, state deputy, mayor, vice mayor and city council. With some difficulty, in Mato Grosso, Parana and Maranhao all parties other than the PTB [Brazilian Labor Party] would have some chance of complying with the legislation. But a survey of prospects shows that with the new election rules the race for votes will be among the PDS [Social Democratic Party], PMDB [Brazilian Democratic Mobilization Party] and PP [Popular Party]. The PDT [Democratic Labor Party] could be a factor in, at most, 10 states. And the PT [Workers Party] and PTB are visibly damaged.

The three major parties have enough personnel (except for the PDS, which has an overabundance) to overcome any legal difficulties. In fact, just as multicandidate slates were unable to accommodate the various PDS currents, linked voting has begun to create problems: competition for nomination in some states where success until now would have been most unlikely. But the prospect of victory, which everything indicates will now be much easier for the government party, has aroused some PDS politicians to a renewed taste for candidacy they had previously viewed as either suicide or sacrifice.

In Piaui, for instance, deputy Hugo Napoleao, although being considered the most viable candidate for the PDS, continues to face competition from Finance Secretary Ari Magalhaes, university president Jose Camilo and his colleague in the Chamber of Deputies, Jose Ribeiro. In Maranhao also, where Deputy Edison Lobao insists upon running as an independent, whereas only Senator Alexandre Costa and Deputy Luiz Rocha have a chance, an agreement will be difficult. The PMDB is running former Deputy Renato Archer and the PP will have a candidate associated with Deputy Edison Vidigal.

In Sergipe the PDS has persons with the background of Senator Lourival Batista and Deputy Antonio Valadares, now secretary of education; but the president of the Bank of the Northeast, Camilo Calazans, joined the party and transferred his voter registration in time to try for the gubernatorial nomination. The PMDB will have to choose between Senator Gilvan Rocha and former Governor Seixas Doria. The major disruptions, however, continue to be in Bahia, where Governor Antonio Carlos

Magalhaes decided to make the president of the state bank, Cleriston Andrade, his successor and a faction of the party is campaigning against him. The campaign even has a slogan: "Anyone who does not believe in the Virgin Mary cannot be governor of Bahia." He belongs to a Protestant denomination, whereas the state's traditions are quite mystical. The PP is running Roberto Santos, which helps the party form a Chamber of Deputies slate. Waldir Pires, former attorney general of Brazil, is the PMDB choice.

Continuing to analyze available personnel capable of running for governor, it appears that the small parties can survive the restrictions of the new legislation in only two ways: waiting to run until 1986, which would be another form of death, or being saved through exceptions inserted in the legal text by the government itself.

Everything indicates that the latter possibility will occur, as it is in the government's interest to keep delegations from these small parties in Congress should it be able to make use of the law to improve prospects for the PDS in 1982 without obtaining popular favor. By the same token, the opposition could pull a surprise, inducing the people to vote for these parties for ideological reasons, coming to Congress with sizable representation. And there is no reason to run the risk of ruling out the small parties for possible coalitions after 1983.

The table shows the lack of names among the small parties to head the ticket at the state level. The PTB in Rio de Janeiro, for instance, has Sandra Cavalcanti, who without the intended support of the Rio de Janeiro PDS--unavailable because of linked voting--is losing the victory that was already in sight. It has Janio Quadros in Sao Paulo and Paulo Pimental in Parana, but these candidates need a rank-and-file party structure, which the PTB does not have. This will damage them because the government proposals lead one to understand that votes received in municipalities where the party does not have candidates for mayor and city council will not be valid. Of course, as party leader Jorge Curi promises, they will compete on a statewide basis although they are aware of the limitations. Even so, they named candidates in Acre, Rio Grande do Norte and Para. This is a legal formality to try getting representation.

In Goias, meanwhile, although the PDS does not have anyone able to counter the popularity of former Mayor Iris Resende, PMDB, it is counting on its statewide organization, partly because only these two parties are in the running; the PP is not ready, and neither are the PDT, PT and PTB. Even in the Chamber of Deputies these parties have no representation.

But in view of the legal restrictions, the opposition parties are trying to find candidates in states where, despite dim prospects for victory, the sacrifice is not too great. In Mato Grosso, for example, the PP will back former Governor Garcia Neto and, in Mato Grosso do Sul, Saldanha Derzi.

In Mato Grosso do Sul, the PMDB has no big-name candidate for governor. But the PDS, on the other hand, will have to reconcile conflicting interests because Pedro Pedrossian, as an appointed governor, may be ruled eligible to be returned to office by popular vote, an office also being sought by former Deputy Levy Dias, now mayor of Campo Grande. The PDT has Wilson Fadul and the PT is going with Deputy Antonio Carlos de Oliveira.



	PDS	PMDB	PP	PDT	PT	PTB
ACRE	Amílcar Queiroz Nasser Almeida	Nasser Júnior	Não está ainda organizado (1)	-	-	-
AMAZONAS	Joel Fernandes, João Filho Raimundo Parente Mário Madal	Evandro Carneiro Mário Freitas	Gilberto Moura	-	-	-
PARÁ	Manoel Ribeiro Ovaldo Melo	Jader Barbalho	Júlio Viveiros	-	-	-
MARANHÃO	Joel Sarney Alexandre Costa Edison Leão Leir Rocha	Emato Archer	Edson Ymagi	Neiva Moreira	Freitas Dias	-
PIAUÍ	Hugo Napoleão Joel Ribeiro Ari Magalhães Joel Camilo	Chagas Rodrigues	Alberto Silva	-	-	-
CERÁ	Adauto Bezerra Aldo Rocha	Mauro Benvidas	Antônio Moraes	-	-	-
RIO G. DO NORTE	Joel Agripino Maia Dio-Heli Carlos Alberto	Agamor Maria	Alcides Alves	-	-	-
PARAIBA	Wilson Braga	Humberto Lucena	Antônio Maria	-	-	-
PERNAMBUCO	Moura Cavalcanti Osmaro Krause Ovaldo Coelho	Marcelo Freire	Clá Sampaio	Armando Monteiro	-	-
ALAGOAS	Divaldo Sarney	Joel Costa	Desorganizado com a saída de Vinicius Cansanção (2)	-	-	-
SERGIPE	Antônio Valdeiros Leocival Baptista Camilo Caldas	Gilvan Rocha Solano Dória	Desorganizado (3)	Fernando André	-	-
BÁHIA	Cláudio Andrade Lomanto Júnior	Waldyr Pires	Roberto Santos	-	-	-
ESPÍRITO SANTO	Theodorico Furtado Elio Álvares Cristiano D. Lopes	Gérson Camata Max Mauro	-	Mário Olegui	-	-
RIO DE JANEIRO	Cláudio Mário Andreassi	Roberto Saturnino	Miro Toldes	Leonel Brito	Lidiane Maril	Sandra Cavalcanti
MINAS GERAIS	Maurício Campos Bia Fortes Osmar Coelho	Isamar Freire	Tarciso Nova	-	-	-
SÃO PAULO	Reynaldo de Barros Leir Guilhermo	Franco Monteiro	Olavo Segal	Oswaldo Pires	Hilário Biondo	João Quadros
GOIÁS	Odílio Lago Bartol Calado	Iris Rezende	Em organização (4)	-	-	-
MATO GROSSO	Vinício Vuolo Júlio Campos Benedito Canals	-	-	-	Carla Maia	-
MATO GROSSO DO SUL	Leir Dias	-	Edson Dora Joel Freire	Nelson Fidal	Ass C. Oliveira	-
PARANÁ	Joel Rolo Odílio Castro	Joel Rolo	João Costa	-	-	Paulo Pinheiro
SANTA CATARINA	Euphrásio Amal	João Barreto	Euphrásio Vitor Joel Lins	Douglas de Andrade	-	-
RIO GRANDE DO SUL	Nelson Maranhão Joel Soares Odílio Gurnato	Pedro Simão	Marcel Guedes	Alceu Collares	Olivier Doria	-
RONDONIA	Jorge Teixeira (5)	(6)	-	-	-	-
RORAIMA	É de Aeronáutica	(7)	-	-	-	-
AMAPÁ	É de Marinha	(7)	-	-	-	-

(8) OBS: Antes da votação, o PDS passou a ganhar em 14 estados. Com ela soma-se que soma a 14.

[Chart Showing Probable Gubernatorial Candidates of the Six Existing Parties]

Key:

1. Not organized yet
2. Disorganized due to departure of Vinicius Cansanção
3. Unorganized
4. In process of organizing
5. Appointed
6. Territory administered by Air Ministry
7. Territory administered by Navy Ministry
8. Note: Before linked voting, the PDS expected to win in 14 states. With it, the total is expected to rise to 16.



An abundance of candidates does not always benefit the party, as the PDS has learned only too well by experience. Although never having less than two candidates for nomination, the PP has already practically made up its mind in all states except Espirito Santo, where the party is being organized by businessmen and nothing has been settled yet. In four other states it is not yet ready: Goias, Acre, Alagoas-- due to the departure of Vinicius Cansancao--and Sergipe, where Deputies Tertuliano Azevedo and Celso Carvalho and Senator Gilvan Rocha went over to the PMDB.

The PP has a chance in four states, although without linked voting it would have had good prospects in twice as many. Miro Teixeira, in Rio de Janeiro, where even his opponents concede he will be hard to beat, drew 15,000 persons to his first rally, held in the rain at the Mangueira [Samba School] rehearsal field. He is relying so much on the fact that the Carioca likes samba and soccer that he even had Zico on the speakers' stand. Furthermore, he alone received over 500,000 votes in 1978 and, although in the state he represents the government, all these factors must be taken into consideration. The PDS, meanwhile, wants to run Deputy Celio Borja against him, although the other deputies prefer a bigger name, such as [Interior] Minister Mario Andreazza, whom they would like to see become president. The PMDB is countering with Senator Roberto Saturnino. The PDT will run Leonel Brizola, who could help his party by campaigning in squatter settlements and at least capture a few seats in the Chamber of Deputies. The PT has Lisaneas Maciel, former deputy cassated by the Revolution who is favored by Protestant groups. PTB's Sandra Cavalcanti, heiress to Carlos Lacerda's following, although a clear favorite in the straw polls, has no rank-and-file organization to provide the required linked votes.

And then there is Tancredo Neves in Minas Gerais, where the PP shares popularity with ARENA [National Renewal Alliance] in both town and country, which could mean votes for the senator, who is also party chairman. The PMDB will support Itamar Franco, whose Senate term ends in 1982 but whose hat has been in the ring for some time and who will help the party. The small parties have no well-known names to nominate, while the PDS has Senator Murillo Badaro running as an independent without party support, which will be given to one of three persons: Mauricio Campos, federal deputy, mayor of Belo Horizonte and the governor's choice; Bias Fortes, local party chairman; and Ozanan Coelho, favored by the UDN [National Democratic Union]-PSD [old Social Democratic Party] coalition.

In Rio Grande do Sul the PDS has three names: Nelson Marchezan, Chamber of Deputies president, has local support but will have to rely upon primary elections being held, as Lieutenant Governor Otavio Germano has more strength among convention delegates and Jair Soares, although he was elected with over 100,000 votes, is badly damaged by the problems arising from the Social Security shortfall. Later they will have to oppose Pedro Simon, of the PMDB, whom the people of Rio Grande do Sul have wanted as governor for 10 years. There is Alceu Collares, of the PDT, with a labor-movement background and vast popular support throughout the state. The PT is counting on Olivio Dutra and the PTB has no one, despite this state's being the birthplace of the labor party and of Getulio Vargas, which shows how difficult it will be for it merely to survive.

In Sao Paulo, where all parties concede victory to Senator Franco Montoro, of the PMDB, the PDS is likely to run into problems. Its most viable name is that of Mayor Reynaldo de Barros, but Governor Paulo Maluf prefers Luiz Guilherme Assif and has learned from experience how to overcome resistance, besides controlling the

convention. He could, moreover, mine his adversary's field by urging PMDB Senator Orestes Quercia to oppose Montoro at the convention, to which he would entice him with some advantages over the other. His powers of persuasion are not likely to fail him, inasmuch as he began his term with minority support and now has a three-deputy majority among the state's representatives in the Chamber. As Lula is ineligible and is likely to remain so, the PT has Helio Bicudo; the PDT has Guacy Piteiri, mayor of Osasco; and the PTB has Janio Quadros.

In Para the PDS will run Deputy Manoel Ribeiro or Oswaldo Melo, or whomever Senator Jarbas Passarinho names, because he himself, despite the polls that give him a good showing, is likely to seek a Chamber of Deputies seat to strengthen the party's representation there. To then oppose Jader Barbalho of the PMDB, who is supported by the administrative apparatus of dissident Governor Alacid Nunes, represents a sacrificial role for any politician. The PP will probably back former City Councilman Julio Viveiros. In Acre, the PDS and the PMDB are likely to decide the election, the former choosing between Deputies Amilcar de Queiroz and Nossier de Almeida and the latter running Deputy Nabor Junior.

In Amazonas the PP has a chance with Gilberto Mestrinho. The PMDB will probably rely on the unselfishness of Senator Evandro Carreira or Deputy Mario Frota to head the ticket. However, the PDS has an advantage, even though it has four contenders for the nomination: Manaus Mayor Jose Fernandes, State Deputy Josue Filho, Federal Deputy Mario Haddad and Senator Raimundo Parente.

Without multicandidate slates it will be difficult to reconcile the followers of [Federal Deputy Aduvaldo] Bezerra, [Governor] Virgilio [Tavora] and [Mines and Energy Minister Cesar] Caldeira in Ceara. The PDS will have to choose, however, between Aécio Borba, favored by the governor, and Bezerra, who will appeal to the convention delegates, while Deputy Flavio Marcilio is hoping for a deadlock so he can fulfill his own aspirations.

For the PDS, Rio Grande do Norte has characteristics all its own, aggravated by lack of multicandidate slates. Its candidate there will be whoever can combine the support of the lieutenant governor, the "Rosados" and Senator Dinarte Mariz, who does not accept the choice of Governor Lavoisier Maia, Natal Mayor Jose Maia. Deputies Joao Faustino, Carlos Alberto and Dix-Huit Rosado want the former's support. The PMDB has already chosen Senator Agenor Maria who, without any real possibility of being reelected, agreed to aid the party. But the PP, with the popularity of former Governor Aloisio Alves, stands a not-insignificant chance.

On the other hand, the PDS could let [Paraíba] Deputy Wilson Braga start using the governors' lane in the halls of Congress immediately, because his election is every bit as certain as that of Senator Marcos Freire in Pernambuco. In view of linked voting, the PMDB in Paraíba will be able to rely on Senator Humberto Lucena because he has just severed his connection with the PP, whose candidate is Antonio Mariz.

The PMDB also has an almost certain victory in Parana, with Senator Jose Richa. Among other reasons, because the name of the candidate favored by Governor Ney Braga, Saul Raiz, was not well received within Planalto Palace, opening prospects to Justice Secretary and former Senator Otavio Cesarino of being chosen by the PDS. The PP will go with former Governor Jaime Canet and the PTB, with Paulo Pimentel, whose

popularity will be of no avail due to lack of local organization. In Santa Catarina the PDS is likely to choose Spiridiao Amin; the PMDB, Senator Jaison Barreto, with 4 years of his term remaining; the PDT, former Deputy Doutel de Andrade; and the PP, Senator Evilasio Vieira or Deputy Joao Linhares, either of whom would be sacrificing himself for the sake of the party.

#### Details

With linked voting, the PDS thinks it will win 16 states, two more than it expected to win without it. But on the other hand, the opposition is conceded victory in Rio de Janeiro, Sao Paulo, Rio Grande do Sul, Parana and Pernambuco, whose metropolitan regions may now be able to help these parties win even more seats at the federal level.

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CSO: 3001/46

## CFP REDUCES GRAIN PRODUCTION FORECAST TO 55 MILLION TONS

Rio de Janeiro GAZETA MERCANTIL in Portuguese 19 Nov 81 p 11

[Text] Brasilia--The 56 million tons of grain forecast last month by Agriculture Minister Amaury Stabile were not confirmed yesterday by the Production Financing Commission (CFP) in announcing the second report of planting intentions for the 1981-82 crop year. The product-by-product data indicate a smaller forecast compared with the figures for October.

A CFP source reported that the total for grain is about 55 million tons. This figure, however, may not be confirmed, as the CFP assumes favorable climatic conditions. Any change of this nature would greatly alter the final outcome for this crop year.

In any event, after the survey in the major producing regions during the last week of October, the CFP expects bumper crops of corn and beans. In the case of corn, this month's estimates indicate an output between 22.4 million and 23.1 million tons. Last month's estimate was 24 million tons. According to the CFP, the drop was due to reduction in planted area in Minas Gerais, Goias and Santa Catarina.

Compared with last year, the next corn harvest could show a production increase of 3 to 6 percent. Since the 1979-80 crop year, corn output has been in the neighborhood of 20 million tons. The most significant drop in the last 6 years was in 1977-78, when production was 13.5 million tons.

For beans, the forecast is 1.43 million to 1.46 million tons, compared with 1.45 million to 1.48 million in October. The CFP says this reduction is caused by the September drought in some regions of the Center-South, where beans are planted. Even so, the commission expects an increase of 12 to 15 percent over last year's crop, which was 1.27 million tons.

The CFP forecast for other crops is as follows:

Rice: Despite a reduction in planted area of between 300,000 and 700,000 hectares, the government estimates for the Center-South a crop of 7.6 million to 8.1 million tons, compared with 7.7 million last year. Total production, which includes the Center-West region, should be, according to the CFP, 9.3 million tons, hence an increase of 3 percent over the previous crop, which was about 9.1 million tons. The best crop in the last 6 years continues to be that of 1975-76, which was 9.7 million tons.



**Soybeans:** Soybean production is estimated at 14.9 million to 15.1 million tons, a reduction of 2 to 4 percent from the previous crop of 15.4 million tons. According to the CFP, this was due to a reduction of planted area in Parana, Rio Grande do Sul and Sao Paulo of about 92,000 to 270,000 hectares. Also according to the CFP, the rainfall during the month of October in the Center-South region caused a delay in soybean planting, mainly in Parana and Sao Paulo.

**Cotton:** The estimate for this product is 467,000 to 491,000 tons, compared with 472,000 to 495,000 forecast 1 month ago. The 1980-81 crop was 493,000 tons. Cotton has shown a gradual increase in the last 6 years, always in the neighborhood of 500,000 tons. This year's reduction, according to the CFP, is due to less planted area: the forecast is for 852,000 to 892,000 hectares, compared with 880,000 hectares planted in the 1980-81 crop year.

**Peanuts:** The CFP forecasts for the Center-South a production of 241,000 to 254,000 tons, compared with 246,000 to 265,000 tons 1 month ago. Last year's crop was 249,000 tons. The biggest crop forecast is that in Sao Paulo, which, despite having reduced its planted area, is estimated at 163,000 to 179,000 tons.

**Wheat:** This month's estimate indicates a harvest of about 2 million tons, compared with 1.75 million expected previously. The current crop shows, according to the CFP, that the frost of June and July did not damage all production. The quality of the product harvested is considered "very good" by the government.

Estimate of Production in the Center-South(\*) in Thousands of Tons

Products	1980-81 Crop	1981-82 Planting Intentions		November Change (Percentage)	
		October	November	Over 1980-81	Over October
Cotton	493.2	466/ 489	467.3/ 491.3	-5/ 0	---
Peanuts (1st Crop)	249.5	246/ 265	241/ 254	-3/+2	-2/-4
Rice	7,713.9	7,676/ 8,114	7,672/ 8,124	-1/+5	---
Beans (1st Crop)	1,274	1,450/ 1,481	1,438/ 1,468	+13/+15	-1
Corn	21,859	22,676/23,570	22,489/23,142	+3/+6	-1/-2
Soybeans	15,484.8	14,909/15,266	14,917/15,127	-4/-2	0/-1

(\*) Includes Rondonia and part of Bahia

Note: Wheat, 1980 crop: 2,742,700 tons

1981 crop: 1,961,000 to 2,070,000 tons

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## POTENTIAL GOLD RESERVES ESTIMATED AT 31,600 TONS

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 1 Dec 81 p 38

[Text] Belo Horizonte--Official gold reserves in Brazil are 629 tons, but potential resources from mining the metal are 31,600 tons, it was revealed yesterday in Belo Horizonte by the president of the Mineral Resources Prospecting Company (CPRM), Jose Raimundo de Andrade Ramos, in a talk at the Commercial Mining Association.

His forecast for this year is that Brazilian gold production will reach 40 tons, an increase of 5 tons over 1980, adding that his company's prospecting investment is 308 million cruzeiros, with plans to invest 789 million cruzeiros in 1982 and 856 million cruzeiros in 1983 to continue opening an average of four deposits annually.

Speaking on the subject of "Brazil's Actual and Potential Gold Resources," Andrade Ramos said the CPRM divides gold reserves into three categories for developing potential resources of the metal in the short, medium and long run. He reported that Brazil's known and defined reserves, so-called official reserves, total 629 tons of gold, representing 2 percent of the nation's potential resources.

Official reserves are one of the categories, the others being geological or estimated reserves and potential resources, resulting from preliminary surveys of the metal that can eventually be mined. Andrade Ramos stated that estimated reserves are 6,200 tons of gold, while potential resources are about 25,000 tons. Adding up the three categories, Brazil has possibilities of mining 31,600 tons of the metal.

Brazil's potential gold resources are located in 12 geological regions identified by the CPRM "gold group" of 110 geologists as economically workable primary gold deposits. The nation's major gold-bearing regions are the "ferriferous quadrilateral," responsible for 8 percent of the nation's cumulative production, Serra Jacobina, Rio Grande do Sul mines, Vila Bela (Mato Grosso), Gurupi (Para/Maranhao border), north-central Chapadas Diamantina of Goias, Ipu (Ceara) and Vale do Ribeira (Sao Paulo and Parana). As new gold regions the CPRM president cited Araci, Carajas (Serra Pelada and Camaru), Serra das Andorinhas (Para) and Barro Alto (Goias).

## Serra Pelada

The Serra Pelada mining settlement will again produce about 5 tons of gold next year, with the return to the region of 4,000 prospectors who are in Serra Verde and 2,000

now dispersed in other mining camps. The report was made yesterday in Belo Horizonte by the director general of the National Department of Mineral Production (DNPM), Yvan Barreto do Carvalho, at a press conference after the close of the Commercial Mining Association and the First Minas Gerais Gold Meeting.

According to Yvan Barreto, "the superficial repairs of ground-leveling being made in Serra Pelada will permit continuation of the camp until 1983, when underground mining by a mining company will begin."

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CSO: 3001/46

## NATO ANTIAIRCRAFT WEAPON MAY BE MANUFACTURED IN CURITIBA

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 29 Nov. 81 p 10

[Text] Curitiba--The radars give the alarm: two enemy fighter-bombers are approaching a motorized column, an important military target. They are still far away, about 40 kilometers, but flying at supersonic speed and preparing to attack. Operated in conjunction with the column, however, sophisticated antiaircraft equipment is ready for its defense in a matter of seconds. After the radar connected with this equipment detected the target a small but efficient computer has calculated its speed, distance, presumed course and wind direction and knows exactly at what moment the attack should begin. When the fighter planes arrive they will be greeted by a barrage of 34 rounds per second.

The equipment that would be used to defend the motorized column in this imaginary situation is a 35-mm double-barreled Oerlikon, the most sophisticated antiaircraft weapon of its category, preferred by the NATO forces in Europe. Depending upon approval by the armed forces and international market conditions, this weapon is to be produced in Brazil at a plant built in Curitiba within a few months--probably by the end of next year. Entirely automatic, able to pursue and fire upon two moving targets simultaneously, the 35-mm double-barrel is really the most advanced of the Oerlikon cannons that will be produced in Brazil. Before it, however, the 20-mm is to be produced, in both double-barrel and single-barrel versions which, although less sophisticated, are much more versatile, easy to handle, light and, especially, cheaper.

With Swiss and Italian technology, the 20-mm and 35-mm cannons are already being produced in Italy by Oerlikon and sold mainly to member countries of the Atlantic Alliance. However, by the beginning of the year construction is to begin in Curitiba on the factory for IMS (Mechanical Systems Industry) do Brasil, a company resulting from the association of Oerlikon (75 percent of the stock) with the Brazilian firm ITS (25 percent).

As one of the Brazilian Government's requirements for authorizing this factory was that stockholder control be Brazilian, ITS President Carlos Alberto de Andrade and Oerlikon management are meeting with other Brazilian groups interested in participating in the venture, such as the Monteiro Aranha Group. According to preliminary arrangements, Oerlikon will have 45 percent of IMS shares, ITS will have 35 percent and the Monteiro Aranha Group, 20 percent. Nor is the possibility of future participation by IMBEL [Ordnance Industry] completely out of the question.

Submitted to the Brazilian Army for approval, a 20-mm double-barreled Oerlikon was tested day before yesterday at the Marechal Hermes Training Field in the municipality of Tres Barras, Santa Catarina. If it is approved by the SFIDT (Service for Control of Imports and Strategic Storage of products under control of the Army Ministry), it is almost certain that the Brazilian armed forces will act as a captive market for this weapon, because it will greatly increase their defensive capability. In Sao Paulo, a vehicle from ENGESA [Specialized Engineers, Inc], the EE-25 truck, will probably be equipped with this weapon to escort motorized columns.

The 20-mm double-barreled Oerlikon will be furnished in three versions: antiaircraft (defense of strategic areas), turret (mounted on armored cars) and naval (for use by the Navy). It has a firing rate of 2,100 rounds per minute and a firing accuracy of 2 kilometers. "It is a low-altitude defense cannon, ideal for protecting airports, refineries and hydroelectric plants," says one of the ITS directors. It consists of three main parts: the first, optic-electronic, to locate and pursue targets; the second, an electronic computer for receiving and processing data; and the third, electrohydraulic, to correct and discharge fire.

Operation of the 20-mm cannon is quite simple, despite its sophisticated technology. The operator locates the target by means of an electronic sight and after tracking it for a few seconds, feeds data to be processed in the electronic computer, such as estimated speed and distance. Immediately, in tenths of a second, all automatically, the cannon is programmed to fire at a certain point of the target's probable course. Firing is by means of a pedal that discharges eight rounds each time it is depressed. If depressed continuously, it can fire 2,100 rounds per minute (in the two barrels together). In case of error in the first firing, the cannon itself makes a comparison between the data fed initially and the margin of error and reprograms its aim. In Brazil the 20-mm Oerlikon will cost about \$800,000 each and IMS intends to produce 60 cannons per year.

The 35-mm Oerlikon is completely automatic and requires almost no work by the operator if equipped with radar. It will cost about \$6.5 million per unit. Its firing accuracy is 3.5 to 4 kilometers (almost twice that of the 20-mm). It is capable of anticipating an air attack when the aircraft is 40 kilometers away (if connected to a radar surveillance system such as the LPD type, made in Italy) and can follow a target moving at a speed of up to 350 meters per second. Its maximum angular velocities are 80 degrees per second horizontally and 48 degrees per second vertically. It is so sophisticated that it can fire with precision at a given target at the same time its radar system is tracking another target at a completely different point.

One of the main reasons for building the plant in Curitiba is to enter new markets, since Brazil, as a theoretically nonaligned nation, can export to countries with which Italy, as a NATO member, would be prevented from trading in armaments. Such is the case of Arab countries and those of the socialist bloc. IMS do Brasil is investing about \$4 million in this program. The Brazilian Government sought assurance that there will be a genuine transfer of technology in producing this equipment and the expectation is that within 5 years 80 percent of the 20-mm Oerlikon's content will be produced in Brazil. Two Parana firms are participating in the project: INEPAR, which will be responsible for the electronic parts, and FAM (Metallic Devices Manufacturing), which will handle the mechanical part.

## BRIEFS

MACEDO-NETTO DISPUTE DENIED--"There's no disagreement." This is how Labor Minister Murilo Macedo denied yesterday any quarrel with Planning Minister Delfim Netto regarding the proposal to reactivate the economy and create 260,000 new jobs. According to Macedo, each of the two cabinet ministers drew up a plan; the two programs, which were submitted to President Joao Figueiredo and Vice President Aureliano Chaves, are essentially alike and differ only in detail. Murilo Macedo, who spoke yesterday at the opening of the panel discussion on employment policy, asserted that, although he is aware of the difficulties Minister Delfim Netto faces in providing funds for the program, he does not consider it rejected by the government: "Both the president and the vice president expressed their interest in the plan and in the need to create new jobs. It happens that from the beginning it was known there would be difficulties in carrying out the program, due to shortage of funds. The Labor Ministry's responsibility is to work out the plan, prepare statistics and state the problem--not to provide funds." The program submitted by Macedo to the government includes stimulating the construction industry (by building simple houses) and opening local streets and highways (using paving blocks instead of asphalt). Besides creating many jobs, this activity requires a low import coefficient and does not consume much energy, according to the labor minister. On the occasion, Macedo stated that in Rio de Janeiro, Sao Paulo and Belo Horizonte alone it would be necessary to create 600,000 new jobs every year. [Text] [Rio de Janeiro O GLOBO in Portuguese 20 Nov 81 p 21] 8834

CSO: 3001/46



## BRIEFS

CIVIL SERVANTS' THREAT--Roseau Dominica Monday (CANA)--The Dominica Government said yesterday it was very concerned about a threat by the Civil Service Association (CSA) to take industrial action at the main prison, Stockfarm, because of staff problems. The CSA yesterday warned that it might be forced to call an official strike at the prison because the Permanent Secretary in the Ministry of Home Affairs had refused to meet the union and discuss staff problems. In a statement yesterday the government said it was concerned about the matter 'particularly in view of the fact that on the morning of 11th November the General Secretary of the CSA and the Minister of Home Affairs met and agreed on a date and time for a meeting to discuss matters pertaining to the prisons.' The statement said the CSA General Secretary Charles Savarin 'knows also that he need only to pick up the telephone if he wants to discuss any issue with the minister.' 'The strategy therefore of issuing a Press release particularly on sensitive areas such as the prisons is viewed by government with profound concern,' it added. The statement said Home Affairs, Minister Brian Alleyne would be meeting with the CSA on Wednesday 'when it is hoped all out-standing matters can be discussed with a view to solving them.' [Text] [Bridgetown ADVOCATE-NEWS in English 17 Nov 81 p 7]

PARTY LEADERSHIP ROW--Roseau, Mon., (CANA)--A row has apparently surfaced within the ranks of the newly-formed Dominica United Labour Party on the question of its leadership. The party, which was formed last month after a breakaway faction from Ex-Prime Minister Oliver Seraphin's Democratic Labour Party (DEMLAB), led by former Finance Minister, Michael Douglas, decided to team up with the Dominica Labour Party, led by another former Prime Minister, Patrick John, now in Police custody awaiting trial on conspiracy charges. An announcement issued after the party's formation said Douglas had been appointed chairman until a convention was held to adopt a new constitution for the party. But in a statement over the weekend, John's Labour Party declared that it still recognised Mr John as its political leader, and that its symbol still remained the shoe, and no other organisation should use it. The new party had adopted the shoe as its official symbol. Another statement issued to newsmen by the wife of Mr John, and signed by Opposition parliamentarian, Pershin Waldron, President of the Labour Party, denounced the first statement on the formation of the new party, and asked that it be disregarded. It claimed that a few persons and "their associates have absolutely no authority whatsoever to make statements on behalf of the Dominica Labour Party." The statement also acknowledged former Prime Minister John as political leader of the party, but indicated "communications via his wife, supported by his written statement and voice recorded on tape, state most emphatically that both Labour parties must come together, hold a massive convention and elect a political leader." The statement said the planned convention of the labour movement, scheduled for December 20, must be honoured. [Text] [Port-of-Spain TRINIDAD GUARDIAN in English 24 Nov 81 p 5]

COUNTRY SECTION

ECUADOR

BRIEFS

IMF REPRESENTATIVE NAMED--Quito--President Osvaldo Hurtado Larrea appointed Jaime Acosta Velasco as representative of the chief executive to the IMF. [PA242157 Quito Voz de Los Andes Spanish 2330 GMT 23 Nov 81]

CSO: 3010/490

## PAPER CHARGES U.S. CONTINUES HOSTILITY TOWARD CARIBBEAN

Bridgetown ADVOCATE-NEWS in English 16 Nov 81 p 3

[Text]

ST GEORGE'S Grenada. Sunday (CANA) — The government-controlled "Free West Indian" newspaper today threw its support behind Cuba, Grenada and Nicaragua in the face of allegations that the United States was showing hostility towards the three countries.

The paper said in an editorial that it was gravely concerned about the threats posed to the national security of Grenada, Cuba and Nicaragua by the United States.

It said that within recent days Grenada has been viewing with increasing concern, not surprise, the escalating campaign of lies and slander against the Cuban, Nicaraguan and Grenadian revolution by United States imperialism.

Said the paper: "We are not surprised by imperialism's criminality, because we understand that when the peoples of Cuba, Nicaragua and Grenada cast aside the yokes of dictatorship and began to chart their destiny along freedom's road, they created a shining moral example for the oppressed masses of Latin America and the Caribbean, an example deemed dangerous by imperialism."

It added that these three revolutions have created

popular people's democracies (as distinct from 'parliamentary hypocrisies') in a part of the world which has been under the domination of United States imperialism for generations.

The paper said that the revolutions in Cuba, Nicaragua and Grenada have begun to pose serious alternatives to the 'capitalist system of economic and social organisation' and are calling into question the most fundamental concepts of western civilisation.

It said that history has revealed that whenever a people choose their own path to development, break out of the chains of economic and cultural dependency, ideological hegemony and begin to create the conditions for social equality, justice and progress, the forces of reaction will 'rant and rave with predictable hysteria.'

The paper urged the people of Nicaragua, Grenada and Cuba to safeguard their gains by deepening their unity, to strengthen their discipline, increase production, step up their vigilance and fortify their military defences.

## BRIEFS

TRIBUNAL SUPPORT--St Georges, Grenada, Sunday, (CANA)--Grenada said yesterday that the anti-imperialist Tribunal of Central America has come out in support of the island's leftist government in the face of hostility from the United States. An official statement here said that the support from the tribunal came in a message to Prime Minister Maurice Bishop of Grenada. It said that the organisation declared its solidarity with the Grenada revolution and the island's leftist New Jewel Movement (NJM) which it said was struggling to maintain the dignity and the right to see self-determination of its people. Prime Minister Bishop announced two weeks ago that the United States had stepped up its plans to invade Grenada with the recent staging of a massive military operation codenamed "Red X" from a base in the United States to Vieques Island, off the coast of Puerto Rico. Mr Bishop said that in the operation the United States used thousands of troops, as well as a number of ships and airplanes and said that "once more they were practising for an invasion of our country."

[Text] [Bridgetown ADVOCATE-NEWS in English 16 Nov 81 p 6]

CSO: 3025/82

## OAS POSITION ON EL SALVADOR SEEN AS 'INNOCUOUS'

PA140255 Guatemala City PRENSA LIBRE in Spanish 9 Dec 81 p 2

[Current Events Column: "The OAS' Afsr"]

[Excerpts] A good number of the delegates to the 11th OAS General Assembly are rejoicing over the voting results that expressed the organization's support for the political-democratic process being promoted by the Government of El Salvador. It was expected that the necessary votes for approval of that motion would be obtained, but it had been feared that there would be more or less equal opposition. Surprisingly, when the votes were counted, Mexico, Nicaragua and Grenada were the only dissenters, while 22 member-states supported the Central American motion. It has been a long time since such an overwhelming show of approval has been achieved on such a controversial issue and this has led to the most varied and hyperbolic statements about the strength of the OAS, its efficiency and its important role in serving democracy on the American continent.

Allow us to puncture this inconsistent bubble. The motion to express the organization's support for the electoral process initiated by the government junta went through almost 3 days of lobbying and negotiations, at the end of which that which was proposed as a declaration of support for the electoral solution emerged as a rather innocuous expression of good wishes and hopes, without strength or force of conviction. What was designed to be a vigorous, decisive slap on the back became a very diplomatic pat on the shoulder, given almost with the fingertips, which were encased in gloves to boot. What should have been a testimonial of solidarity became, after many deletions and euphemisms, a gesture of condescension.

The delegates believe that this vague and insubstantial declaration will resolve the internal conflict and bring about peace, justice and happiness. The vote, they say, will put an end to violence, terrorism and the guerrillas. This could be called either wishful thinking or deliberate self-deception. As things stand, it is not certain whether it will be possible to hold the elections before the terrorists wipe out the republic. Then, even if they are held, it cannot be said either that a majority or a representative number of citizens will be able to go to the polls. It is a matter of order and of reality. The pacification of a country that is beset by rebels does not depend in any way on the exercise of suffrage under the auspices of a government whose removal is being sought. It can only be brought about by military action on a sufficient scale to subdue the rebels and cut off their external logistics. Until this is achieved, the government that results from the elections will have to continue the struggle against the rebels or yield to them, if it lacks adequate means for its defense. To believe otherwise is to build castles in the air; it is to indulge in fantasy for its own sake.

CSO: 3010/495



## GOVERNMENT REVENUE \$80 MILLION ABOVE TARGET FOR 1981-82

Kingston THE DAILY GLEANER in English 23 Nov 81 pp 1, 15

[Text] Government's revenue collections for the 1981-82 financial year will exceed the target by some \$80 million, Prime Minister Edward Seaga announced on Saturday night.

Speaking at the end-of-year ball of the Customs Brokers Association of Jamaica at the Terra Nova Hotel, he said the increased revenues, have come largely from Income Tax, which is projected to show an increase of some \$64-million over the original target.

At the beginning of the year when the Budget was presented, he recalled, there was a "\$35-million gap which could not be closed." This deficit the Government had decided to erase by improving the revenue flows.

"Well, it is that \$35-million which the forecast show we will now not only achieve but double and exceed in the course of the financial year," he said.

Collection of revenue had exceeded the target by some \$80-million, with Income Tax accounting for a large portion of the Government's earnings.

However, he warned that the extra resources would not be used up for any other purpose except to finance public utilities and other public enterprises with which the Government was "saddled."

Consumption Duty is projected to show some \$15-million over the target, while Retail Sales Tax has shown a projected \$11-million increase.

Mr Seaga said the Income Tax improvements were largely the result of collection of arrears, as well as improved payments. Customs duties had shown improvements not only in the collection and performance, but in the general "tightening up of the system."

New measures were being implemented to close "loopholes" in the Customs Department, such as the establishment of container stations in order to enable the stripping of containers at the ports.

Small computers are also to be established at the two international airports to record all transactions of goods, he said.

Mr Seaga also announced that the Customs Hall at Norman Manley International Airport will be expanded to ease congestion.

Referring to the announced cutbacks in the bauxite industry, the Prime Minister said these cutbacks will have a serious impact on the revenue collection and foreign exchange earnings of the country.

"There will be severe cutbacks in employment and as such the Government is attempting to devise solutions for these problems," he said, adding that the bauxite situation will be discussed in Parliament tomorrow.

Mr Seaga congratulated the Customs Brokers on their performance over the year, stating that their contribution was significant to the country's economy.

Import activities had increased by some 25 per cent over the year and this, he said, was an indication of the effort by the Government to increase the flow of goods to close the gap in the shortages which had existed in the economy.

CSO: 3025/80

## SEAGA OUTLINES PLANS FOR NEW MERCHANT, COMMERCIAL BANKS

Kingston THE DAILY GLEANER in English 20 Nov 81 p 1

[Text]

A new merchant bank for the private sector is to be set up shortly with capital inputs from both local and foreign sources.

This was announced by Prime Minister Edward Seaga as he addressed the inaugural luncheon of a new development financing institution, the National Development Foundation of Jamaica (NDF). The NDF was launched yesterday at a brief ceremony at the Pegasus Hotel in New Kingston, and Mr. Seaga was made the first honorary member.

The NDF is a private non-profit voluntary organization which will provide financing and technical assistance to small enterprises who are unable to receive loans through the banking system.

**SPEAKING ON GOVERNMENT'S INPUTS** to bolster the small business sector, Mr. Seaga said that the new merchant bank will provide some of

the needs for financing investments thus relieving resources in the commercial banking system for use in the small business sector.

In addition, the Government was in discussion with the Agency for International Development to obtain financing to the tune of US\$5-10 million for small business ventures.

**MR. SEAGA ALSO GAVE FURTHER DETAILS** of a new commercial bank, the Bank of Credit and Commerce International Overseas Limited (BCCI) which is to begin operations here next month. Mr. Seaga said that the bank would begin its operations in Jamaica with a capital of US\$1 million. It will also provide line of credit facilities of US\$10 million to the Bank of Jamaica.

The new bank, he said, would play an important role in mobilising resources for equity, loan financing and trade for Jamaica as well as providing useful and direct line between Jamaica and the Middle East.

CSO: 3025/80

## TRIBUNAL CONSIDERS REOPENING STALLED BAUXITE WAGE TALKS

Kingston THE DAILY GLEANER in English 20 Nov 81 p 1

[Text] The Industrial Dispute Tribunal is considering the possibility of resuming hearing on the current bauxite alumina-NWU wage dispute.

The arbitration collapsed when the Workers' Representative on the panel of the tribunal hearing the dispute, Mr Headley Alman, walked out of the meeting on Monday, after disagreeing with the ruling of the chairman, Mr K.K. Walters.

The GLEANER understands that attempts are being made to get Mr Alman to resume his position on the panel. If that fails, it is expected that the panel will be dissolved and replaced by a new panel and new hearings commenced.

The bauxite/alumina companies in a joint statement on Wednesday said that they regretted that the hearings have reached an impasse and that the Workers' Representative has brought the deliberations to a standstill.

The companies said that they had predicted more than once that it was likely to happen, given the attitude of the union.

The release continued: "Now that the Union has ensured that a settlement cannot be achieved by Christmas 1981, we await the next chapter in what has been the most unproductive set of negotiations we have ever encountered.

"One potential outcome of the present actions of the Union and the Workers' Representative is the spectre of recommencing the entire I.D.T. hearings. This would seem to show indifference to the interest of the workers, the companies and the country."

The general secretary of UTASP, Mr Reg Ennis, in a letter of solidarity with the NWU on Tuesday, called for the resignation of the tribunal's chairman, Mr Walters, from both the panel and the IDT.

The University and Allied Workers Union's president, Dr Trevor Munroe, on Tuesday, called on all trade unions, particularly those on the Joint Trade Union Research Centre, to "forget rivalry and jealousy and to unite against the conduct of the tribunal and the bauxite company management."

## FIRST SUPPLEMENTARY 1981-82 BUDGET FIGURES SHOW SAVINGS

Kingston THE DAILY GLEANER in English 13 Nov 81 p 1

[Text] A saving of \$9.5 million has been made in the 1981-82 Budget.

The Prime Minister and Minister of Finance, the Rt. Hon. Edward Seaga, yesterday tabled in Parliament the First Supplementary Estimates for the financial year 1981/82 showing a net provision of minus \$9.5 million created by the agreement for re-financing of loan debts with its creditors.

The estimates showed that the Government in the original figures given in the Budget had approved the spending of \$273,043,054 for the repayment of loans.

However, the agreement reached between the Government and its creditors, for re-financing of the loans resulted in net savings of \$116-million in the original figures and reducing loan obligations for the year to \$157,043,054.

The Supplementary Estimates tabled yesterday showed that a sum of \$86,572,600 has been proposed for the Capital Vote, which when subtracted from the \$116 million savings, leaves a savings of \$29,427,400.

The Recurrent Expenditure has been proposed at \$19,833,026 which when subtracted from the savings of \$29,427,400, leaves a savings of \$9,594,374.

The estimates are therefore said to be showing a net supplementary total of minus \$9,594,374, which is the saving on the \$116-million after satisfying both recurrent and capital expenditures in the estimates.

The Supplementary Estimates are to be studied in the Standing Finance Committee of the House next Tuesday, Wednesday and Thursday, and will be debated on Tuesday, November 24.

Other highlights of the Supplementary Estimates are: the spending of \$15.5 million on banana research and development through the Banana Company of Jamaica and the Banana Resuscitation Programme; \$1/2 million to fund a new project to strengthen farm production; \$1.4 million for the extension of the Customs Hall at the Norman Manley Airport and repairs and overlay to the ramp and taxiway at the Sanster International Airport.



## Provisions

Provisions are also proposed in the following areas: \$850,000 for improvements to Government buildings, \$2.5 million to meet the cost of implementation of labour intensive projects aimed at cleaning and rehabilitating the main roads and improving drainage systems; \$465,000 for improving the buildings and premises at the Ministry of Education and the Caenwood compound; a \$403,000 grant under the Dutch Assistance Programme towards the construction of the Port Antonio Health Centre, \$1 million for renovation and improvement of Health Centres; \$280,000 for repairs to the K.S.A.C. abattoir.

Other provisions include: \$1.8 million is proposed as additional requirement to fund the Second Integrated Rural Development Programme's production and extension project; \$1.5 million towards the construction of eight new dams, \$1/2 million for construction of rural markets and a \$21.4 million loan to the Urban Development Corporation as additional requirement in respect of National Hotels and Properties.

CSO: 3025/79

## SHEARER MEETS FINNISH DELEGATION, HAILS TECHNICAL AID

Kingston THE DAILY GLEANER in English 13 Nov 81 p 2

[Text]

Deputy Prime Minister and Minister of Foreign Affairs and Foreign Trade, Rt. Hon. Hugh Shearer, has welcomed the "willingness" of the Government of Finland and the private sector of that country to share its technology with Jamaica and to assist the Jamaican economy.

Mr. Shearer was speaking yesterday morning, at the Ministry of Foreign Affairs where he met with a 13-man Trade Mission from Finland. The Trade Mission is led by Mr. Pauli Opas, Director of the Department for Foreign Trade and the Ministry of Foreign Affairs for Finland.

According to JIS, the Deputy Prime Minister expressed Jamaica's desire to expand the "two way" trade between Jamaica and Finland and pointed out that there were many areas in the Jamaican economy for joint venture investment activities, as

well as private investment activities.

Possible areas of co-operation, Mr. Shearer said, were in agriculture, forestry, paper and pulp, mining and energy.

He told the delegation that there were an attractive package of incentives and tax reliefs available, that there was constitutional and legislative protection for foreign investments in Jamaica and that Jamaica was a participant in international and regional trade agreements such as the EEC/ACP agreement and CARICOM.

Mr. Shearer informed the group that Jamaica, by its location, was ideally situated for trade with the Central, North and South American markets, and highlighted the availability of trans-shipment facilities on the country's north and south coasts and at the freezone area in Kingston.

The existence, in Jamaica, of an adequate labour

force, easily trained and willing to work was also pointed out by Mr. Shearer.

Mr. Opas said that, at present, the trading relation between Finland and Jamaica was almost non-existent and that the low level of trade between the two countries was not satisfactory.

He explained that the delegation to Jamaica was a fact-finding one and that the primary task of the mission was to establish direct contacts.

Mr. Opas expressed his pleasure at being in Jamaica and thanked Mr. Shearer for the wide range of meetings that had been organised for the mission.

The mission which arrived Wednesday will be in Jamaica for four days.

## EDITORIAL COMMENTS ON SUGAR INDUSTRY, CLOSURE OF CO-OPS

Kingston THE DAILY GLEANER in English 14 Nov 81 p 10

[Editorial: "Last Chance for Sugar"]

[Text]

In 1966 Jamaica produced 4.9 million tons of cane while in 1980 we were able to produce only 2.8 million tons. In 8 of the 11 years since 1970 the production of sugar in Jamaica has fallen below that of the previous year. 1980 was second only to 1977 as the year over the period in which sugar production fell by the largest quantity. So far, 1981 is following that trend with a 13% estimated drop in the quantity of sugar cane milled in the first six months, as compared to last year.

The government's decision to close down the sugar co-ops has to be seen against the background of those trends and not as some have suggested as an index of the government's hostility to worker management.

As Dr. Stone has pointed out, great effort has been made by people involved in the co-ops to improve their production and financial standing. But the fact remains that if recovery is expected to take place in the island's sugar industry that recovery will not happen unless our major sugar lands at Frome, Monymusk and Bernard Lodge can be organised to produce cane more efficiently and productively.

As the Prime Minister has said, in comparison with a country like Barbados our sugar industry makes very inefficient use of land, labour and factory capacity. It should not be concluded that the sugar co-ops are the only inefficient producers. But given their track record of low performance, the co-ops clearly do not have the capacity to be an effective part of the solution to a recovery of the industry.

We can only hope that the alternative arrangements made to manage these lands will prove to be part of that solution. The mere act of closing down the co-ops and leasing the lands to National Sugar will not achieve that. For National Sugar, like the co-ops, does not have an impressive record of running our government owned factories.

When the state owned Frome Monymusk Land company ran these estates, their track record was also not distinguished by improvements in production and productivity. It would be unfortunate if the co-ops were singled out and made scape-goats for an overall pattern of decline in the industry, of which the co-op problem is only one segment.

The country awaits the plans and proposals that ought to be in the pipeline to ensure that the changes to take place at Frome, Bernard Lodge and Monymusk will improve the efficient use of labour and land. Such plans must presumably exist to improve factory efficiency.

We sympathise with the public for being somewhat confused by the implication of the closure of the co-ops. It is unfortunate that in making the announcement, it was not pointed out that continuity in employment would be guaranteed to the co-op members. The sugar co-op members appear to know that, but the Jamaican public obviously does not.

It is an illusion to believe that "people benefits" can be reaped and distributed to needy workers in the absence of efficient production, economic growth, and expansion in the productive capacity in this or any other industry. That fact has to be paramount in whatever changes are introduced to give sugar another chance to get back on its feet. For economic recovery through greater productivity lies at the base of distribution of social benefits, whatever the views of befuddled priests to the contrary.

## MANLEY COMMENTS ON U.S. 'MINI MARSHALL PLAN' FOR REGION

Bridgetown SUNDAY SUN in English 15 Nov 81 p 6

[The Michael Manley File: "Price of Being America's Friend. The U.S. Defies Principle Even as It Ignores Commonsense"]

[Text]

I WAS fortunate recently to have someone explain to me the so-called "Mini-Marshall Plan for the Caribbean". The first thing that struck me was that the word "mini" refers to more than the size of the typical Caribbean nation.

As I understood it, the plan consists of three segments. First, there is to be a small increase in direct government to government aid as between the United States and the various islands and Caribbean Basin mainland states.

Secondly, efforts are to be made to relax somewhat existing restrictions on United States imports from the Caribbean region. Thirdly, there is to be great, repeat great, emphasis on the encouragement of direct, private investment by United States firms in the region.

This scheme is supposed to represent a new American approach to its neighbours to the south and reflects the general view of the United States administration of world development and the role of the United States in that process.

As originally conceived, the plan was to be jointly sponsored by the United States, Canada, Mexico and Venezuela working in conjunction with the expectant recipient governments.

Unresolved at the moment, however, is the vital question of principle. The Caribbean region contains a wide range of political and economic models. At one end is Cuba with its explicit Marxist/Leninist process. At the other end is Haiti with its vulgar and apparently self-perpetuating, petty tyranny. Countries like Guatemala are only distinguished from Haiti by the less personalised form of military dictatorship which runs the show.

#### POLITICAL EXPERIMENTS

Between the two extremes are a variety of political experiments. Grenada and Nicaragua have revolutionary regimes and are currently establishing people-based, democratic institutions while indicating that they will hold conventional, Western-type elections in due course.

Both countries are led by political parties which are affiliated to the non-communist Socialist International and both are committed to mixed economies and a form of democratic socialism.

Guyana is a cooperative republic with a traditional parliamentary system and a broadly democratic socialist philosophy although its ruling party is not a member of the Socialist International.

Thereafter, there is a medley of traditional, Western style democratic regimes mostly of the centre-right persuasion.

In short, the Caribbean is pluralist and complex.

As far as the Mexicans and the Canadians are concerned, the

wide variety of regimes involved poses no problem. Both governments see the region as a whole and, recognising the principle of self-determination, are willing to make the modest benefits of the plan available to all and sundry.

Not so with the United States. the Reagan administration has indicated that it intends to pick and choose, making its assistance available to the regime of whose politics it approves.

Needless to say, it does not approve of Cuba, Nicaragua and Grenada. It is equally unsurprising that the new United States administration appears to have no difficulty with the right-wing tyrannies of countries like Guatemala and Haiti. Guyana's position is not clear to me at the moment of writing. In the case of the other donor country, Venezuela, the position is also unclear.

I am not in a position to predict the outcome in so far as this aspect of the matter is concerned. The Mexicans, although not even vaguely socialist in their own political philosophy, have taken a strong and principled position in the matter. They will have no part in any scheme which invades the principle of self-determination.

By contrast the United States' attitude defies principle even as it ignores commonsense. The matter of principle is impatient of debate. You either believe in the right of self-determination and all that it implies or you do not.

The commonsense of the matter, however, deserves comment. In the short run, there can be a deceptive attractiveness to the idea of using economic power to reward your friends and to punish those, not because they are your enemies but merely because they will not genuflect to your every whim.

But what does this do in the long run? It increases polarisation and the tension which goes with it. It puts a premium on the political appeal of every two-bit adventurer who promises material reward in return for unquestioning support for the power which openly discriminates.

In the end it is a self-corrupting process, eroding the foundations on which a world of mutual respect between nations, large and small, can be built.

I hope that someone, perhaps the Canadians, can prevail on the Reagan administration to change its mind. I wish those of my Caribbean colleagues who now hold office would make it clear that they would not accept aid which was part of a plan contaminated by discrimination from the outset. One certainly wishes there were voices in the United States political system which would speak out and denounce this unprincipled and naked resort to the force of economic power.

As it is, there is another aspect to the Mini-Marshall Plan for the Caribbean which is objectionable and unsound. It is the insistence, as part of an international strategy, that direct aid and structural change in the world economic system are rejected by the United States which offers, instead, only to encourage an increase in private overseas investment. This represents a retrograde step of mind-boggling proportions. So much so that it demands a separate discussion. It is a subject to which I intend to return.



CANADA PROTESTS POLICE RAID ON COLLEGE SERVICE OFFICE

Questions in Ottawa

Kingston THE DAILY GLEANER in English 18 Nov 81 p 1

[Text] Questions were raised in the Canadian Parliament in Ottawa yesterday over a raid by Jamaican Police last week on the Kingston office of the Voluntary organization Canadian University Service Overseas (CUSO).

Canadian External Affairs Minister Mark MacGuigan told his Parliament that the Canadian High Commissioner to Jamaica had expressed "dismay" to Prime Minister Edward Seaga.

The prime minister confirmed last night that the matter had been "verbally reported" to him and was being investigated and would be dealt with by Foreign Minister Hugh Shearer.

He said the raid resulted from reports of suspicious activity reported to the authorities by people in the area.

CANA Report---A wire service report from Ottawa last night stated:

Ottawa, Nov 17, (CANA-REUTER):

Canada has protested to Jamaica over a recent police raid on the Kingston office of the Voluntary Organization Canadian University Service Overseas (CUSO), External Affairs Minister Mark MacGuigan said today.

The office was raided last Thursday and a CUSO worker was held at gunpoint while files were searched, he told Parliament.

MacGuigan said the Canadian High Commissioner to Jamaica had expressed Canada's "dismay" to Prime Minister Edward Seaga and was awaiting details of what was behind the raid.

The Government had no reason to believe that the security of Canadian or Non-Canadian Cuso workers was in danger in Jamaica, but would be prepared to seek a guarantee from Jamaican authorities if necessary, he told questioners.

CUSO sends young volunteer workers to developing countries and is similar to the United States' Peace Corps and Britain's Voluntary Service Overseas (VSO) Organizations.

Police Commissioner Bill Bowes said last night that the raid was carried out after people in the area complained about noise coming from the CUSO premises on Waterloo Road and the type of people frequenting the place.

The policemen were met on their arrival by the manager who carried them around while they searched, Mr Bowes said. The men carrying out the raid denied that they carried out the search, the Commissioner said.

Nothing was found and nobody was arrested.

#### Call for Probe

Kingston THE DAILY GLEANER in English 21 Nov 81 p 1

[Text] The Director in Jamaica of the Canadian University Service Overseas (CUSO), has expressed concern about the implications, for his staff and its work in Jamaica of the raid carried out on its offices of Waterloo Avenue, St Andrew on Thursday, November 12 by the police CUSO has called for a "speedy investigation into the incident."

In a release yesterday the Director Mr Carlisle McKenzie, said that they had sought to deal with the matter with restraint, but now wished to set the record straight and to correct what he said were erroneous and misleading statements made on the subject.

Mr McKenzie said that the incident had raised grave and serious concerns as it suggested that illegal and clandestine activities might be taking place at their offices. It also gave rise to questions about the integrity of their staff.

#### Challenge

He described the manner in which he said the raid was carried out and challenged the statement of the Commissioner of Police which was published in the GLEANER of November 18. For example in reference to the statement that noise had been coming from the CUSO premises and that the Police responded to reports about the noise from neighbours, Mr McKenzie said that "the only noise emanating from our office are those made by our typewriters as well as a small table-top radio used in the office."

In addition, CUSO denied that the police were met on arrival by the manager who carried them around while they searched. According to Mr McKenzie, the members of the squad spread throughout the premises without waiting for anyone to take them through the office. They made their search, and in the process, he said, intimidated the teenage son of the caretaker with "a weapon."

CUSO said that their activities were neither "suspicious nor illegal," and said that they found the raid on their office "entirely unjustified, even under the Suppression of Crimes Act," and described the reasons given as "spurious."

Mr McKenzie said they had been operating in Jamaica for 19 years, and had occupied the existing premises for the last 14 years. Projects for People Ltd., which

is an outgrowth of their development work and an attempt to localize and nurture development expertise, is also directed from those premises, CUSO also works with several agencies of government.

He said that they considered their activities a "proud record of achievement."

In Parliament

The matter was raised in the Canadian Parliament in Ottawa on November 17. The External Affairs Minister, Mark MacGuigan, said then that the Canadian High commissioner had expressed "dismay" concerning the matter to Prime Minister Edward Seaga. He said that the premises had been searched at "gunpoint."

CSO: 3025/79

## BRIEFS

ENVOY TO GERMANY--Mr Glaister George Duncan, former Permanent Secretary in the Ministry of the Public Service and Head of the Civil Service has been appointed Ambassador Extraordinary and Plenipotentiary to the Federal Republic of Germany. Announcement of Mr Duncan's appointment was made from the Ministry of Foreign Affairs yesterday. Mr Duncan who was a former Permanent Secretary in the Ministry of Local Government under the previous administration, succeeds His Excellency Mr Keith Johnson C.D., who is now Jamaica's Ambassador to the United States. Mr Duncan's Civil Service career started in 1949 serving in the Collector General's Department and in the Ministries of Home Affairs and Labour. In 1978 he left the position of Permanent Secretary in the Ministry of Local Government to become Permanent Secretary in the Ministry of the Public Service and head of the Civil Service. Mr Duncan has done special assignments with the United Nations and had represented Jamaica on the Board of both the Latin American and Caribbean Centres for Development Administration. He was awarded the Order of Distinction (O.D.) in 1980. [Text] [Kingston THE DAILY GLEANER in English 28 Oct 81 p 1]

CSO: 3025/82

## U.S. INFLUENCE AT OAS ASSEMBLY MEETING ANALYZED

PA082228 Managua Radio Sandino in Spanish 1800 GMT 8 Dec 81

[Station commentary]

[Text] It is evident that U.S. imperialism still has more than enough resources to convince most of the Latin American governments that the OAS is still the U.S. backyard. However, it is also true that it is increasingly difficult for the United States to achieve a consensus of the area's countries for its singular purposes, without having to resort to alternatives, which in some way affect its arrogance and haughty attitude.

The fact that the Reagan administration managed to get the OAS 11th General Assembly to approve its electoral solution to the Salvadoran conflict disguising it with ambiguities, presenting it through the backdoor, and through a third party, shows that U.S. imperialism is no longer in complete control of this backyard.

In the first place, the fact that aggressive and warlike Gen Alexander Haig had to postpone his main speech to the OAU General Assembly meeting in St Lucia, and that he left most of his aggressive language behind are part of that syndrome. The presentation of the motion supporting the electoral process in El Salvador, which was not listed on the assembly's agenda, was made by Argentina. This presentation was the fig leaf behind which the U.S. State Department tried to cover up the smashing defeat that its electoral solution to the Salvadoran conflict suffered at the UN General Assembly. With a vote of 66 to 31 the assembly voted for the resolution supporting the Franco-Mexican declaration of a political solution to the Salvadoran conflict. To make matters worse, Mr Haig had to resort to the trick of using El Salvador, Honduras and Costa Rica to present his twisted proposal supporting the military-Christian democratic dictatorship, and which is rejected by most democratic and revolutionary sectors in El Salvador. The tragicomic resolution which was approved expresses the hope that all Salvadorans achieve a climate of peace and harmony through a truly democratic electoral process. This resolution practically borders on cynicism if we consider the antidemocratic and antipopular essence of the Salvadoran demo-fascist junta which will allegedly hold these elections.

Although the resolution rejects violence, terrorism and all actions violating the principle of nonintervention, it was presented precisely at the time when violence and terrorism of the dictatorship and U.S. Government intervention in El Salvador can be seen even by the blind. It is a time when the Salvadoran people are suffering from repressive violence, murderous terror and military intervention by Yankee imperialism.



However, it is symptomatic that this resolution did not get the vote from seven Latin American governments. What is even worse is when these governments are from the Caribbean area. The wheel of history never stops, the hour of the people is here, the twilight of imperialism cannot be reversed and the advance of social progress cannot be stopped. Yankee imperialism is not fully in control of what it calls its backyard.

CSO: 3010/495

## 'BARRICADA': HAIG'S THREATS MET WITH DIGNITY BY D'ESCOTO

PA090345 Managua BARRICADA in Spanish 4 Dec 81 p 3

[Article by Carlos F. Chamorro: "Haig Is in the Line of Aggression, Who Else?"]

[Excerpt] It must have been somewhat uneasy for General Haig--who is used to profer threats of strangling, blockade and invasion against Nicaragua in his monologue with U.S. news media--to have been met with answers full of dignity and sovereignty during the meeting he held on Wednesday with Foreign Minister D'Escoto.

The fact that Haig could not back out of this meeting, is in itself proof that he had to admit that the Nicaraguan Government is willing to hold a dialogue and that a recalcitrant and intransigent attitude is ineffective in this case and explains the moderation of his language, which D'Escoto termed as less boisterous.

But these subtleties of the language does not change by any means Haig's repeated threats to the representative of the Nicaraguan people and government. On this occasion Haig appealed to a strange principle of reciprocity (imperialist) by which if Nicaragua intervenes in any Central American country (an absurd supposition of which we have been accused without proof) the United States will have carte blanche to take any action against Nicaragua.

If we should use the same measuring rod on imperialism, at this moment all the governments of Latin America would have the right to take measures against the United States for its intervention in El Salvador and also to collect the debt for all the criminal aggression it has committed throughout history against Latin America. But it is just the opposite: the invader is the one threatening us and the one claiming the right to attack us, in order to justify, in one way or another, the collapse of its policy in El Salvador.

But it will not be that easy for Haig to convince the world of the need to sacrifice Cuba and Nicaragua on behalf of an alleged stability in the continent, which as a matter of fact is the United States which is blocking it with its policies.

CSO: 3010/495

## 'LA PRENSA' CRITICIZED FOR ITS 'ANTIPATRIOTISM'

PA150445 Managua EL NUEVO DIARIO in Spanish 11 Dec 81 pp 1, 10

[Text] With an antipatriotism that hinges on treason, LA PRENSA S.A. has continued its campaign supporting the United States' aggressive plans which, with the OAS resolution imposed on El Salvador, achieved the balance needed to "legitimize" its interventionist policy in Central America and its deprecation of Nicaraguan sovereignty.

We say imposed, because in addition to the natural pressures and affinities which the United States uses against certain governments, this time Mr Haig in his "prior consultation meetings" said that the Reagan administration would view as "an unfriendly act toward the United States a vote abstention on its proposal."

The disloyalty of LA PRENSA S.A. toward Nicaraguan interests has reached its limit. Devoid of arguments to show that the previously mentioned proposal is not an imposition by the United States which opens dangerous paths for the security of our nation, it fell yesterday into the childish argument of raising a "score" on the OAS vote and concluding that it is a shame that we lost 22 to 3 with 4 abstentions, which according to their foolish observations—as if they were a social club—adds them to the majority.

If it were as simple as that, the proposal at the United Nations, which was the opposite of what the United States obtained at the OA, was approved by 65 in favor, 21 against and 54 abstentions. If we were ignorant and demagogic we could lie and say that these were added to the majority, which is sheer nonsense.

The United Nations is more important than regional organizations. To get an idea of the seriousness and responsibility of the proposal approved, we note that those countries which voted for the UN proposal were Austria, Denmark, Finland, France, the FRG, Greece, Iceland, Italy, Norway, the Netherlands, Sweden and Mexico, which naturally does not have a mixed up policy, but a very consistent policy since it opposed at the OAS a resolution that was contrary to what it had voted for at the United Nations.

LA PRENSA S.A. would like, as in the time of Somoza, for us to align our vote with the decisions of the empire. The United States was the only country of the so-called Western bloc that voted against the UN proposal. Among its partners in Latin America were Chile, Paraguay, Haiti and a few other countries in whose company the repeaters of the originating station would like to see us.

## OPPOSITION'S CRITICISM OF BUDGET REBUTTED

Managua EL NUEVO DIARIO in Spanish 22 Oct 81 p 6

[Text] Economists and experts in Public Administration who were consulted yesterday by this daily newspaper stated that the criticisms expressed in LA PRENSA, SA, for yesterday by the MDN [Nicaraguan Democratic Movement], Anibal Arana, on the increase in the budget of the Revolutionary Government is capricious, superficial and petty.

Our sources maintained that, in fact, that dissident criticism is reduced only to pointing out that the general budget for 1981 has a 170-percent increase in comparison with the 1979 Somoza budget.

"It is a completely superficial analysis," they added, "because it merely contents itself with a marked bad intention to emphasize the budget increase in 1981, but it does not say one word about the essence of the matter, that is to say that this increase is directly intended for meeting the demands of the people in various orders of institutional activity.

"And it is logical for no comment to be made on that vital, all-important aspect of the budgetary appropriations of the revolutionary state," they pointed out, "for the simple reason that the welfare of the working class has never interested the bourgeois parties, like the Robelista Party [MDN]."

That is precisely why, our sources went on to say, they maliciously concealed the fact that the government allocated, in the budget, no less than 2,487,000,000 cordobas (almost 50 percent of the state's expenditures) to the social area to promote, in behalf of the people, the health, education, infrastructure, housing and other programs.

Not Seeing

For example, they added, they did not notice, because it did not suit them, that 1,212,000,000 were allocated this year in the health branch, broken down as follows: 946,900,000 for hospital care and primary care programs and the investment plan, in addition to 139 million for construction of the Masaya, Rivas, Bluefields, Matagalpa and Carlos R. Huembes hospitals, as well as 22.7 million for construction of 100 health stations.

The MDN analysts also said nothing concerning the fact that in the education sector the state has allocated for this year the amount of 1,152,000,000 cordobas to handle over a million students on the three levels of education, including 32,000 [sic] to higher education.

#### Not Mentioning

Likewise, they did not mention a single word about the adult literacy program by means of which and in continuation of the fine National Literacy Campaign it is expected that 300,000 persons will be handled in 1981.

Certainly never before like now have the poor people been so well taken care of in those two important social branches--health and education--when today two medical consultations a year per inhabitant are offered, while under Somoza the whole rural farm population had none and when today there is a remarkable increase in primary, secondary and even university education enrollments.

In short, and with regard to the education branch, it can be stated that the coverage to be attained by education in Nicaragua in 1981 will reach limits never before imagined.

#### Nothing

Likewise, the MDN wise men made absolutely no reference to the fact that the government will spend almost 60 million cordobas, this year, on cultural promotion programs, among which priority given to the cultural development on the Atlantic Coast figures prominently.

And, naturally, they could not have mentioned the social welfare programs, which, of course, are not intended for the bourgeois parties or for members of COSEP [Higher Council of Private Enterprise] but rather for the masses who were exploited by them over the years and who had no right to culture.

This year, the government has allocated 70 million cordobas under that category for child welfare, psychosocial and occupational rehabilitation and for the social development of the community, including care for 5,925 children in the Child Development Centers and rural children's services.

As was to be expected, our sources pointed out, the MDN critic made no mention of the 1,684,000,000 allocated this year by the government to the infrastructure area, including 137 million as a subsidy for ENABUS [National Bus Enterprise], so that the poor people can continue to pay the fare of one cordoba, or of the subsidy for food, or of the one amounting to 58 million allocated to the Railway.

They added that the ill-intentioned criticism by the MDN gentleman did not mention, in his stupid analysis, the 320 million that the state has allocated, this year, to construction of 4,700 new dwellings in various places in the country, primarily in the centers of productions, 800 of which are already being awarded in the Bata-hola project in Managua.

Finally, the experts concluded, those gentlemen also made no mention of the fact that the Revolutionary Government will have to pay 760 million cordobas this year for foreign debt service inherited from Somoza, representing 16 percent of the total expenditures for 1981.



## MEASURES TO SOFTEN IMPACT OF U.S. SILVER SALES REPORTED

Lima EL COMERCIO in Spanish 25 Oct 81 p A-29

[Text] Peru has a secret strategy for cushioning the recessionary and negative impact the world silver market will suffer as a result of the sale of 105 million troy ounces by the United States in order to reduce its inventories of that mineral.

The strategy involves commercial measures drawn up by the Peruvian State Mineral Marketing Company (MINPECO). They will be implemented along with political and diplomatic measures.

Meanwhile, the impact of those sales is already being felt in pricing. For Peru this will mean \$70 million less in 1982, as contracts that have been practically completed call for sales of only \$250 million, as opposed to \$320 million this year.

Silver is the second most important mineral, after copper. Therefore, silver exports are essential for our balance of payments and for the foreign currency our country needs.

Despite our natural wealth, we depend on the international market. For this reason the United States' announcement of a huge sale of its silver stocks has hurt us by precipitating a drop in prices for this metal on the international market.

Due to the seriousness of this problem, EL COMERCIO interviewed high-ranking officials at MINPECO, the state metal marketing enterprise which is under the jurisdiction of the Ministry of Energy and Mines.

We talked with MINPECO about mining production in Peru, and the processing and marketing of the raw product as well as concentrated or refined silver. We also learned about MINPECO's role, national silver production, a comparison between Peru and other countries, the problems arising from the American move and the reasons behind it, measures that have been taken here, and the possible replacement of silver in industry, particularly in photography, where silver is most in demand.

The officials reported that silver is exported as a mining product, both concentrated and refined. The latter form is what is exported most, bringing in a greater aggregate value and more foreign currency.

## Marketing

Until last year, MINPECO had a monopoly on marketing. But since the new constitution came into effect, that situation ended. Private firms may market their product in accordance with free competition.

Private firms, however, may only export silver in its raw form or as a concentrate, because only the Central Peruvian Mining Enterprise (CENTROMIN) has the technology to produce the high quality refined silver that Peru exports for the most part.

CENTROMIN buys 25 percent of its production from private companies, and the state concentrates half of Peruvian silver production, for refining and exporting.

MINPECO markets between 85 and 90 percent of the private firms' silver, because until now it has had the infrastructure necessary to provide better service. It boasts a level of specialization not found elsewhere in Peru. MINPECO charges a commission for marketing private silver.

## Production

As for refined silver, which is exported by the state and thus brings in foreign currency, production amounts to 40 million ounces. That figure has been on the rise in recent years. Of that production, 94 percent is exported. In 1981 that has accounted for \$320 million in foreign currency.

MINPECO generally signs sales contracts for 1 year, a year in advance. Therefore, 1982's sales have already been contracted, and there has been a considerable reduction: In 1982 the exportation of refined silver will yield only \$250 million in foreign currency. This is due to the drop in international prices and to MINPECO's reduction of refined silver sales (less will be sold).

## World Production

According to the figures for 1980 provided by J. Aron and Company, silver production in the Western world totaled 280 million ounces, while demand totaled 400 million ounces. The gap was bridged with what experts call recycling. Through this process of melting down metal, the product is recovered for reuse.

The attached figure, titled "Source and Use of Silver," shows silver production and consumption by country.

The main countries to which Peru exports silver are the United States, Brazil and Japan.

Silver has many uses, mainly industrial. The photography industry is in first place in silver use. The United States is the largest consumer of photographic silver; 42 percent of its silver consumption is in photography. Western Europe consumes 25.1 percent for that purpose, Japan 56.4 percent, and Brazil 37 percent. Only 16.8 percent of world production is used in jewelry and silverware. However, in Peru nearly 100 percent of the silver that remains is used for that purpose. In Japan, 7.3 percent of silver consumption is for jewelry.

Peru retains 1 million ounces of its total production for the domestic market.

#### Sales by U.S.A.

With regard to the problem arising from the United States' sales of its silver inventories, MINPECO experts feel that there will be a twofold impact. The first phase will occur when the decision to sell is made public, and it is the more important one because it will create a crisis on the market. The second phase will come when the sale is executed.

The United States has decided to sell, according to MINPECO, because of budgetary considerations. It will sell silver to buy other strategic minerals. No one knows for certain, but it is speculated that those minerals will be uranium, cadmium, lithium and others.

The sale of these 105 million ounces, which will definitely have a severe impact on us, will net the United States \$1.05 billion. That really isn't very much for a country like the United States, but it is now undergoing a period of austerity, and selling silver to buy other metals is one way of self-financing. On the other hand, the rumor that the Americans are selling their silver because it is of low grade and costs too much to refine is just that. It is not true that it costs more to refine American silver.

With respect to the new situation on the international market, experts believe that there is cause for great concern, and action should be taken. On the political level, the minister of energy and mines is writing letters about the matter, and is seeking agreements with the affected countries. So far no one knows how effective that will be, but it appears that the United States intends to go forward with its plan.

#### Strategy

MINPECO has a strategy which for obvious reasons cannot be revealed. It is known, however, that MINPECO has taken steps to minimize the effect of the drop in prices, according to the officials we interviewed.

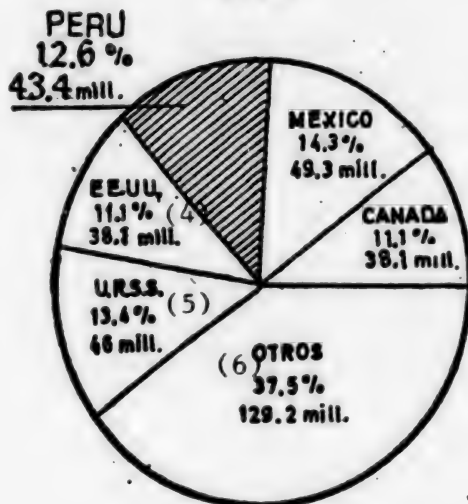
Advance preparations have been made for just such an emergency, and the human and technical resources are available to deal with the problem.

# (1) FUENTE Y USO DE LA PLATA

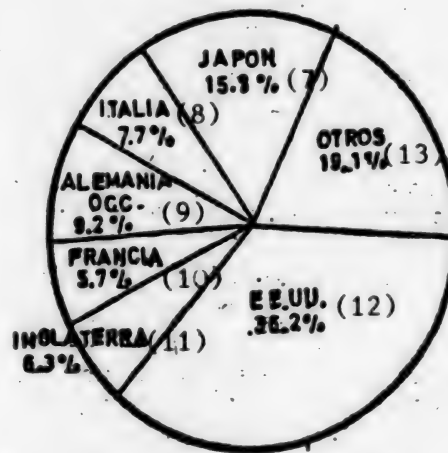
(2) PRODUCCION MINERA (3) CONSUMO INDUSTRIAL EN OCCIDENTE

1979

1979



(14) TOTAL 344.5 MILL. ONZ.

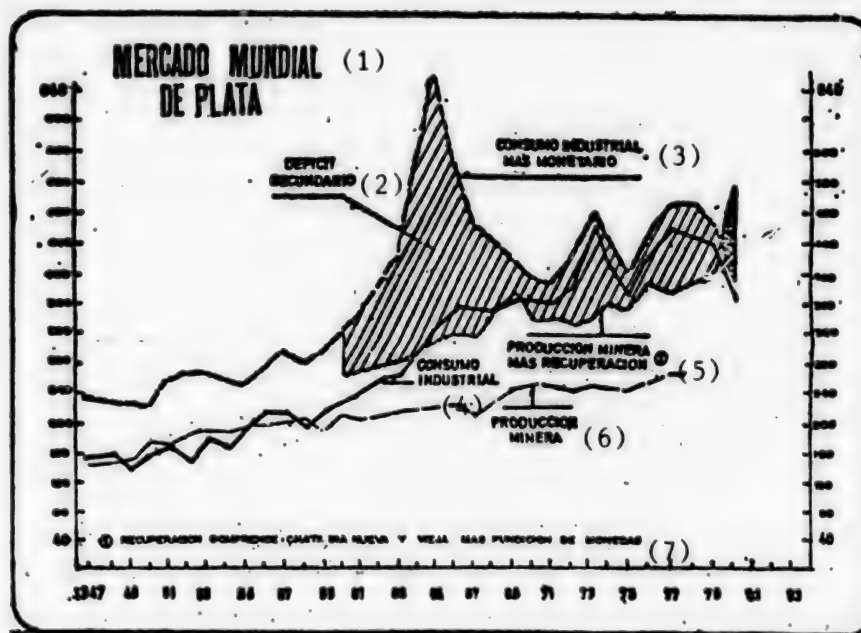


(15) TOTAL 435 MILL. ONZ.

In this chart the difference between silver production and consumption can be observed. The one on the left shows production in the USSR, but not consumption. Even excluding it, however, one can see the gap, which is covered with the "recycling" or melting of scrap. This supply is very important. Note that Peru is in third place among the producers of the world, after Mexico and the Soviet Union, followed by the United States and Canada. In the one on the right, the United States is in the lead with respect to industrial consumption, followed by Japan and Germany.

## Key

1. Source and Use of Silver
2. Mining Production
3. Industrial Consumption in the West
4. United States
5. Soviet Union
6. Others
7. Japan
8. Italy
9. West Germany
10. France
11. England
12. United States
13. Others
14. Total 344.5 million ounces
15. Total 435 million ounces



A revealing illustration of the world silver market in which the drop in industrial consumption since 1977 can be observed, as well as the most monetary industrial consumption since 1965. It appears that the use of silver for monetary purposes has been very significant since the first years after World War II. As can be observed, in 1965 the world consumed up to 640 million ounces a year, as opposed to 350 million now. This illustration also shows that the gap between production plus recovery and consumption has been shrinking since the beginning of the last decade. Note also how mining production has not increased substantially in 33 years, while consumption has risen.

#### Key

1. World Silver Market
2. Secondary Deficit
3. More Monetary Consumption
4. Industrial Consumption
5. Mining Production Plus Recovery (\*)
6. Mining Production
7. (\*) Recovery includes new and old scrap plus melted down coins

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CSO: 3010/388



## CENTRAL RESERVE BANK REPORTS ON FOREIGN TRADE

Lima EL COMERCIO in Spanish 27 Oct 81 p A-15

[Text] Peru's foreign trade is now limited to only 10 countries, according to a report by the Central Reserve Bank.

While 75 percent of our exports, in terms of value, go to the United States, Japan, Italy, West Germany, Chile, Venezuela, Colombia, Bolivia, the United Kingdom and Mexico, 80 percent of our imports come from as many countries: the United States, Japan, West Germany, Brazil, the United Kingdom, Sweden, Italy, Argentina, France and Belgium.

## Imports

The Central Reserve Bank report states that our imports come primarily from two countries, the United States and Japan. They provide 51 percent of all our imports.

Two South American nations provide 7 percent: Brazil and Argentina.

As for European nations, six of them account for 20 percent, West Germany being in the lead with 8 percent.

## Exports

With regard to the structure of exports, of the total value of our market, the United States and Japan make up 50 percent; five Latin American countries account for 15 percent, including Chile's 3.6 percent with Venezuela and Colombia each contributing 2.9 percent.

Of the 10 most important European countries in the sample, three of them make up 10 percent of the market, the most prominent one being Italy with 4.3 percent, followed by West Germany's 3.6 percent.

The Central Bank report points out that the United States and Brazil have increased their relative participation in the import market this year. The United States went from 35 percent in January-June 1980 to 42 percent during the same period this year. Brazil went from 3.5 percent to 5 percent during that time.

In exports, the United States and Japan made more purchases, going from a joint total of 40 percent during the first half of 1980 to one of 50 percent during the same period of 1981.

**CUADRO No. 7** (1)**DISTRIBUCION GEOGRAFICA DE LAS EXPORTACIONES PERUANAS (\*)** (2)**(Estructura Porcentual)** (3)

	(4)	1980		1981
		I	II	I
		Semestre	Semestre	Semestre
1. Estados Unidos (5)		31.7	32.3	32.1
2. Japón (6)		8.7	8.3	17.6
3. Italia (7)		5.1	3.2	4.3
4. Alemania Occidental (8)		5.2	9.4	3.6
5. Chile (9)		1.3	2.0	3.6
6. Venezuela (10)		1.3	1.9	3.0
7. Colombia (11)		2.1	1.4	2.9
8. Bolivia (12)		3.2	1.4	2.6
9. Reino Unido (13)		3.8	4.0	2.4
10. México (14)		3.1	1.8	2.4
11. Resto de Países (15)		34.5	32.5	25.5
<u>TOTAL</u>		<u>100.0</u>	<u>100.0</u>	<u>100.0</u>

(\*) Preliminar. (16)

COBERTURA: 1980: 91% a nivel nacional. (17)

1981: 75% Lima Metropolitana.

ELABORACION: Departamento de Balanza de Pagos, en base (18)  
a la estructura de la Dirección General  
de Aduanas.

## Key

1. Table No. 7
2. Geographic Distribution of Peruvian Exports (\*)
3. (Percentage Structure)
4. Semester
5. United States
6. Japan
7. Italy
8. West Germany
9. Chile
10. Venezuela

11. Colombia
12. Bolivia
13. United Kingdom
14. Mexico
15. Other Countries
16. (\*) Preliminary
17. Coverage: 1980: 91 percent on the national level  
1981: 75 percent Metropolitan Lima
18. Prepared by: Department of Balance of Payments, based on the structure of the General Customs Office

CUADRO No. 8 (1)  
DISTRIBUCION GEOGRAFICA DE LAS IMPORTACIONES PERUVIANAS (\*) (2)  
(Estructura Porcentual) (3)

	1980		1981
	I	II	I
(4) Semestre Semestre Semestre			
1. Estados Unidos (5)	35.1	37.8	42.0
2. Japón (6)	9.9	10.3	9.1
3. Alemania Occidental (7)	9.2	7.8	7.8
4. Brasil (8)	3.8	3.8	5.0
5. Reino Unido (9)	3.4	4.1	3.3
6. Suecia (10)	3.7	3.4	3.0
7. Italia (11)	3.3	2.1	2.8
8. Argentina (12)	5.3	3.3	1.9
9. Francia (13)	2.2	1.7	1.8
10. Bélgica (14)	2.4	3.1	1.2
11. Resto de Países (15)	22.0	22.4	22.1
<u>TOTAL</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>

(\*) Preliminar. (16)

COBERTURA: 1980 : 94% a nivel nacional. (17)  
1981 : 75% Lima Metropolitana.

ELABORACION: Departamento de Balanza de Pagos, en base a la estructura de la Dirección General de Aduanas, excluye donaciones y defensa. (18)

#### Key

1. Table No. 8
2. Geographic Distribution of Peruvian Imports (\*)
3. (Percentage Structure)
4. Semester
5. United States
6. Japan
7. West Germany

8. Brazil
9. United Kingdom
10. Sweden
11. Italy
12. Argentina
13. France
14. Belgium
15. Other Countries
16. (\*) Preliminary
17. Coverage: 1980: 94 percent on the national level  
1981: 75 percent Metropolitan Lima
18. Prepared by: Department of Balance of Payments, based on the structure of the  
General Customs Office, excluding donations and defense

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CSO: 3010/388

## BRIEFS

ULLOA DISCUSSES BUDGET WITH UNIONS--All national union leaders, including those from the CCP [Peasants Confederation of Peru] are today holding a meeting with Prime Minister Ulloa. About 40 Peruvian union leaders are holding a meeting at the (Baracas) summer resort to discuss important issues concerning the 1982 budget. Labor Minister Grados Bertolini and Minister Ulloa noted yesterday the following about this meeting: [Begin unidentified voice recording] I do not know the exact name of those persons attending the meeting but they are 42 union leaders. [Question] We understand this is the first time that such a meeting has been held. [Answer] Yes, this is correct but of course we have been having similar meetings at the labor or ministry level in compliance with the practices of a democratic government but we are fulfilling a commitment we made to union leaders that we were going to meet with them and discuss all government development programs, the budget, price policies and the effects that these may have on salaries. [Excerpt] [PY091849 Tacna RADIO TACNA in Spanish 1200 GMT 9 Dec 81]

AP WINS 26 MUNICIPALITIES--According to the official confirmation given yesterday by the National Election Jury (JNE), Popular Action [AP] won 26 district mayoralties in last Sunday's complementary municipal elections. Meanwhile, AP sources asserted last night that the populist candidates have obtained 72 mayoralties. This assertion was made after they knew the election results in 106 out of the 117 districts in which complementary elections were held. Alvaro Alarco, one of the AP coordinators, pointed out that the number of mayoralties allegedly obtained by his party represents 72 percent of the votes; while the APRA [American Revolutionary Popular Alliance] obtained 15, with 15 percent of the votes. He added that the PPC [Popular Christian Party], on its part, won in five districts (5 percent), UI [United Left] in six (6 percent) and Independents in eight (8 percent). [Excerpt] [PY092249 Lima EL MERCURIO in Spanish 11 Nov 81 A-4]

RECHANNELING OF RIVERS--Lima, 8 Dec (AFP)--It was officially reported here today that the streams and rivers of the eastern slope of the Peruvian Central Andes will be rechanneled into the Pacific watershed so as to increase the supply of water and hydroelectric power to Lima. The Peruvian Government has approved a contract associating the state-owned enterprises Electro-Peru, Electro-Lima, and Lima Sanitation Corporation to make the drafts and to begin negotiations with the World Bank which has offered to finance the project. The project provides for the damming of the Mantaro River, the largest of Central Peru, in the Atacayan area, 125 km east of Lima at the altitude of 4,000 meters. From there the water will be pumped up 600 meters to Narcopamococha, on the western slope of the Andes. In order to increase the supply of electric power and water to Lima, a hydroelectric dam will be built, existing canals enlarged and new ones dug. The project is expected to be finished in 1987. [Text][PY091507 Paris AFP in Spanish 0343 GMT 9 Dec 81]



CONCERN OVER POLISH SITUATION--Lima, 14 Dec (LATIN-REUTER)--Foreign Minister Javier Arias Stella today here said that Peru is following the developments in Poland with deep concern. The minister added that the Peruvian Government wishes to voice its confidence that commonsense will prevail over force in that actions. [Text]  
[PY150231 Buenos Aires LATIN in Spanish 0210 GMT 15 Dec 81]

CSO: 3010/494

## OPPOSITION UWP CONTINUES EFFORTS TO OUST RULING SLP

Bridgetown ADVOCATE-NEWS in English 19 Nov 81 p 12

[Article by Guy Ellis]

[Text]

CASTRIES, St. Lucia Wednesday (CANA) — There seems no end in sight to attempts by opposition groups here to remove the ruling St. Lucia Labour Party (SLP) Government of Prime Minister Winston Cenac now at the halfway stage of a five-year term of office.

But it is now becoming apparent that the SLP, after a long period of internal turmoil over its leadership plans to take up the challenge and throw some punches of its own.

With the House of Assembly here having rejected an opposition motion of no confidence in the Government on October 27, the campaign to unseat the SLP is to continue through investigation, including court action.

Opposition leader John Compton has announced his intention to challenge government backbencher Evans Calderon's seat in the 17-member House of Assembly.

Compton, whose United Workers' Party (UWP) was swept out of power in July 1979, has also stated that he plans to initiate an investigation into what has become known here as "The Stamp Deal" concerning one of the many charges of alleged corruption which opposition members hurled at the Government during last month's no-confidence motion debate.

Compton is chairman of the Public Accounts Committee, a parliamentary body charged with the responsibility of reviewing the use of public

funds. The committee comprises members of both sides of the House...

The police have lodged charges against three members of the minority opposition Progressive Labour Party (PLP), whose leader, former SLP parliamentarian George Odum, claims that the move follows threats by Attorney-General Kenneth Foster to "deal with" frontline PLP members.

Odum, who broke away from the ruling party last May after an unsuccessful attempt to wrest leadership from former Prime Minister Allan Louisy, was one of the key architects of the SLP's landslide election victory over Compton's UWP in 1979. When the SLP assumed power, he wielded considerable authority in the cabinet.

But his insistence that Louisy honour a verbal post-election undertaking to hand over power to him even after Louisy had announced a change of heart, precipitated a political crisis in both the Government and country which ended with parliamentary defeat of Louisy's fiscal budget and his subsequent resignation as Prime Minister last April.

Cenac, the former Attorney General who succeeded Louisy, has been under opposition pressure for a return to the polls. The no-confidence motion accused him and his administration of inept leadership, financial mismanagement, corruption and responsibility for the general decline in St. Lucia's economic situation.

It was immediately after the vote on the no-confidence measure that Compton first challenged Calderon's membership of the House. He produced documented evidence to support his claim that attorney at law Calderon had vacated his seat last August when he notarised a transaction under which the Government bought a certain piece of property, thus contravening the St. Lucia Constitution...

According to section 32 of the Constitution, to which Compton referred, "a person shall not be qualified to be an elected member of the House if he has an interest in any government contract."

The Constitution defines "contract" as "any contract made with the Government, or a department of government or with an offer of the Government contracting as such."

Calderon, who served as Attorney General for almost a year in the Louisy Administration and declined ministerial position when Cenac took over, has acknowledged making the deed for the purchase of the property in question, but added that the court would have to decide whether this could be construed as an "interest."

The British-trained barrister said he had not yet decided what counter-measures to take because he was awaiting the filing of Compton's claim in the courts.

It was during the no-confidence motion debate too that the Opposition tabled before

Parliament what it contended was evidence of corruption in the Government.

PLP deputy leader Michael Pilgrim, another former SLP Minister, produced what he said was a copy of a bank statement showing that a commission of US\$10 000 had been paid to a former Minister. He said the ex-Minister had signed an agreement with an American philatelic company on behalf of the Government.

Louisy who as Prime Minister once threatened to resign if he found evidence of corruption in the Government, scrutinised the statement and called for an investigation into the opposition charge.

Compton responded to the challenge and has written to Cenac asking for the co-operation of himself and that of the relevant ministries in an inquiry which he intended to launch, in his capacity as chairman of the Public Accounts Committee.

Odum has been plugging away at his former government colleagues using the public platforms and his weekly newspaper, the Crusader, but running foul of the law in the process.

Two PLP members are currently facing court charges of sedition, while Odum himself is charged with publishing his newspaper without licence.

It was a PLP member who seconded the UWP's motion of no-confidence in the Government. Further, according to Odum, there was collaboration between the two opposition groups on the wording of the motion.

Earlier this year, when Odum accelerated his charges that there was corruption in the Government while still holding onto his ministerial position, he made it known then that he would not at all be averse to considering an accommodation with the UWP if proposals were made to him, to bring down the Government.

The PLP positions, then and now, would seem to underline the view of some political observers here that while Odum continues to be among the most vocal in calling for new elections and persistently says that his party is "the least unprepared" among the three political groups for such elections, the PLP might not command that broad base of popular support that can be transformed into a victory at the polls at this particular time.

At the moment, all the signs are that the SLP having overcome the no-confidence vote, is digging itself in to serve out the balance of its five-year term and deliver the promised goods to the electorate.

Next month, the Cenac ad-

ministration plays host to the General Assembly of the Organisation of American States (OAS) an event which the Government is relying on to produce the sort of results which will bolster its tattered image both at home and abroad.

But with the Opposition showing no visible signs of letting up on its pressure and the Government itself seemingly bent on using the legislative machinery to ensure much-desired stability, the odds are that St. Lucia's political problems may not be over yet.

Etoile, the SLP's paper, recently put the present and future situation into perspective. Noting that no new no-confidence motion in the Government could be brought to Parliament for another six months, the paper called for "maximum effort" from members of the Cabinet in the interim and "a period of peace and co-operation from the Opposition.

It added: "No meaningful economic programmes can be accomplished in an atmosphere of tension and mistrust...the fringe opposition element (reference to the PLP) seems determined to continue along its chaotic path and we look forward to firm and quick handling of any situation that may arise."

## DEVELOPMENT CORPORATION SEEKS FUNDS TO START 40 ENTERPRISES

Port-of-Spain TRINIDAD GUARDIAN in English 24 Nov 81 p 13

[Article by Guy Ellis]

[Text]

**CASTRIES:**

Saint Lucia's National Development Corporation is in the market for US \$70 (TT\$168m) to finance a new indigenous industrialisation thrust which could create some 40 new enterprises and allow for greater local participation in the sector.

The NDC is a statutory corporation of the Government, formed a decade ago to initiate, promote and execute the island's industrial programmes.

According to NDC Chairman Julian Hunte, the proposed projects are in the fields of housing, industrial infrastructure, real estate, light industries, manufacturing, agro-industry, energy and tourism.

Mr. Hunte, who has just been re-appointed chairman after an initial two-year term, said that the projects had been floated for financing from international private funding markets and it was likely that funds would be sourced shortly for some, if not all of these ventures.

He added: "Were this to happen, the private sector in Saint Lucia would receive a considerable injection of funds of approximately TT\$168m spread over a three-year disbursement and utilisation period."

During the past two years, the NDC placed nine industrial concerns on some 101,000 square feet of factory space. These have provided 600 jobs with an annual turnover of \$7.2 million.

And according to Mr. Hunte's end-of-term report, these achievements have been recorded in the face of Saint Lucia's recent political instability which "did not afford an encouraging atmosphere within which the NDC could work effectively."

**DEEPLY WEAKENED**

Said Mr. Hunte: "The vagaries of politics, as well as the indiscriminate damage of a hurricane (Allen in August 1980) played havoc on the development thrust. The investment climate has therefore been deeply weakened. Overseas investors fear for the security of their investment, domestic entrepreneurs become disenchanted, the investment programme becomes diverted away from the mobilisation of domestic resources."

Mr. Hunte explained that it was within this context that the NDC has been operating since July 1979 when the ruling Labour Party came to power.

Despite the new ventures which have gone into operation in the past two years, Saint Lucia's efforts at industrialisation have been seriously set back by Hurricane Allen and the island's

political climate resulting in the departure of some investments and the non-arrival of others which were to have come.

The NDC owns and manages four industrial estates comprising 20 industries on 230 acres of land. Total factory space at those estates is in the region of 150,000 square feet.

One of these estates, an airport free zone in the southern town of Vieux Fort — long earmarked as Saint Lucia's future industrial capital — is listed as one of the NDC's successes of the past two years. It offers 43,000 square feet of factory space, about a quarter of which will accommodate cargo from the Caribbean Air Cargo Company (CARICARGO), a joint Barbados-Trinidad and Tobago carrier.

The 40 projects in the NDC pipeline fit well into the Government's plans for greater involvement of nationals in the industrial sector.

Said Mr. Hunte: "When last November the NDC considered a programme which would be effected over a five-year period, it was clear that special emphasis would have to be placed on the development of local projects."

"The government had stated categorically that greater emphasis must be placed on making development more meaningful to the people of Saint Lucia. The NDC took up their challenge and sought to diver-

sify the industrialisation process internally. Whereas the emphasis on overseas investment promotion would remain, it would be complemented by a new indigenous industrialisation programme. By this is meant the identification of projects which reflect the economic priorities of Saint Lucia and which take advantage of opportunities to be exploited by Saint Lucians."

The industrialisation process in Saint Lucia started more than two decades ago with simple processing of raw local materials in the manufacture of, for example, copra products, bay rum, aerated drinks, clay and timber products.

Although industry is still considered to be in its infancy, Saint Lucia in recent years, has made rapid progress in developing its manufacturing sector.

The development of a sound infrastructural base and the offer of generous fiscal incentives have proved attractive to inves-

tors, and the island has seen the expansion of industries geared to the local, regional and international markets.

Today, there are more than 70 manufacturing units in operation employing 2,500 persons. Most of them are concentrated around the Castries area.

The range of products being manufactured include garments, furniture, plastics, vegetable-based snacks, tyres, vehicle batteries, mattresses, beer and malt, industrial gases, fruit juices, electronic components and cassettes for tape recorders.

In addition, refrigerators, television sets and radios are assembled.

The effort at industrialisation probably reached its peak in 1977 when the Hess Oil Corporation of the United States chose Saint Lucia to locate a transshipment terminal. Next year, work is due to start on another oil project here to be undertaken by Saudi Arabian investors.

(Cana)



## UNION, GOVERNMENT OFFICIALS STILL AT ODDS ON LAND ISSUE

Bridgetown ADVOCATE-NEWS in English 16 Nov 81 p 3

[Text]

KINGSTOWN, St. Vincent, Sunday (CANA) — The government of St. Vincent and labour leaders are still squabbling over the fate of a state-owned plantation paralysed by strike eight months now. Government spokesmen insist that the strike by some 250 workers at the country's largest government estate, 'Richmond Vale' was totally unnecessary.

The workers took industrial action in February to back demands for trade union recognition, payment of a 1980 Christmas bonus, and a wage hike, among other things.

Despite numerous appeals by their union — the Workers and Peasants Union — and numerous trade unions, political parties and organisations, the government has not given in to the demands.

Chief Agricultural Officer Carlton Williams said that the strike action had hastened his ministry's desire to sub-divide the 3 000-acre estate among small farmers.

Mr. Williams said that the union boss, former Opposition leader, Calder Williams was being misled. He said that had Mr. Williams taken his initial advice, the estate would not have been left to go to ruin.

Acknowledging that hundreds of thousands of dollars have been lost by government

through the strike-action, the Chief Agricultural Officer said that the workers would have been entitled to a double bonus this Christmas.

He stated that government was pushing ahead with the land distribution plan in view of 'the so-called strike action.'

Union officials are against sub-division of the estate and are reported to be soliciting the support of other trade unions and international agencies to bring about a settlement.

The workers and peasants union is insisting that there should be a genuine land reform policy at Richmond Vale.

General Secretary Williams said the union will continue to resist relentlessly, what he called 'these negative efforts on the part of the authorities.'

The union is of the view that there can be no genuine land reform policy without the workers' involvement, and is calling for workers' co-operative based on profit-sharing.

The union noted that at the conclusion of a recent interview with prospective lease-holders on the estate, the union was refused application forms, and the workers were not given first preference.

It also observed that 'most prospective lease-holders are fanatics of the ruling Labour Party.'

## 'EXPRESS' TELLS NJAC NOT TO BE STIFLED BY ELECTION DEFEAT

Bridgetown ADVOCATE-NEWS in English 13 Nov 81 p 11

[Text]

PORT-OF-SPAIN, Trinidad, Thursday, (CANA) — The Trinidad Express in its editorial yesterday urged that the voice of the National Joint Action Committee's (NJAC) should not be stifled following its defeat at the polls.

The editorial said in part:

"One of the casualties of Monday's General Elections which returned the PNM to power is the National Joint Action Committee whose candidates failed to win a seat, although some of them did quite better than had been anticipated.

"Yet the NJAC election campaign was one of the talking points of the last month because of its high intellectual content, its reasoned appeal to the electorate and some attractive and intelligent candidates.

"NJAC however, has a past

and this no doubt played a part in the way the electorate looked at Makandal Daaga and his team.

"Those who remember those heady days of 1970 when the black power disturbances swept the country, leading to the arrest and detention of Daaga and some of his leading lieutenants will appreciate this picture.

"Daaga was regarded as a disturber of the peace, the good order and stability of the country. It was he who inspired the controversial Public Order Bill and some pieces of legislation now on the statute books which liberal-minded Trinidadians regarded as oppressive.

"Also in the run-up to the general election campaign, NJAC did nothing to reduce fears (that) its members were

on a course of violent confrontation by the extreme nature of their utterances at public meetings earlier this year.

"The blood and burn" message eventually gave way to the voice of reason, NJAC seemed determined to want to be part of the system, though they pledged to change it according to their own desires.

"But the proposals mentioned in their party documents, in the newspaper advertisements, and the line taken on the public platforms would have done credit to any party and targeting on a particular section of the electorate.

"Our point is that some effort should be made to keep NJAC in the mainstream which it entered in order to take part in this election."

CSO: 3025/81

DEFENSE OFFICIAL DENIES RUMORS OF COASTAL ARMS SMUGGLING

Port-of-Spain TRINIDAD GUARDIAN in English 20 Nov 81 p 1

[Text] The Chief of Defence Staff, Commodore Mervyn Williams, said yesterday he was unaware of any arms or ammunition entering the country by way of the sea-coasts or through any other means.

Rumours being spread all over the country are that a sizeable number of arms and ammunition have entered the country resulting in soldiers having to comb the numerous beaches.

But Commodore Williams explained that checks have always been maintained by soldiers from time to time, but this had nothing to do with any report of entry of illegal arms or ammunition into the country.

A senior officer at the Ministry of National Security said it was a known fact that with the establishment of installations at Amoco and Point Lisas members of the Defence Force were based in those areas.

There was the question of airport security, both at Piarco and Crown Point in Tobago, as well as army camps at Centeno and Siparia.

Defence Force surveillance or vigilance were for security reasons and should not cause any alarm or concern by members of the public, the officer said.

A senior police officer said that for security reasons scores of seacraft entering the country from abroad, including Caricom countries, were subjected to searches in an effort to prevent possible entry of arms, ammunition or narcotics.

But the question of this latest rumour of a sizeable quantity of arms and ammunition entering the country was totally false and designed to cause panic in the country, he said.

CSO: 3025/81

## STEADY DECLINE REPORTED IN NATION'S CRUDE OIL PRODUCTION

Port-of-Spain TRINIDAD GUARDIAN in English 24 Nov 81 p 4

[Text]

**FROM** a peak of 83 million barrels in 1978, the country's production of crude petroleum, Trinidad's major dollar earners, has been slowly and steadily declining.

After totals of 78 million and 77 million barrels in 1979 and 1980 it appears that 1981 total production may drop below 70 million barrels.

Imports, exports and refinery throughput of crude petroleum also continue their downward trend, and for the first six months of this year show similar declines as compared with 1980.

These figures are revealed in the September issue of the Monthly Statistical Digest put out by the Central Bank of Trinidad and Tobago.

Looking back for ten years at production figures it is noted that the lowest figures of 47 million barrels were in 1971, after which production went up to a

peak in 1978. Since then there has been another gradual slump.

All through 1979 and 1980 monthly production of crude petroleum topped six million barrels and the monthly average for last year was 6.5 million barrels. In 1981, however, production for the first six months was 34.8 million barrels, at an average of 5.8 million per month.

For the same period last year 38.8 million barrels were produced, at an average of 6.5 million barrels.

Unless production improves by the end of the year total figures could reach just 69.6 million barrels, if one uses an average of 5.8 million barrels per month.

The import picture is none too happy either, for while in 1970, 113 million barrels were imported by 1980 it was a mere 52 million barrels. The first six months of last year 26.8 million barrels of crude were imported but this year just 20 million barrels came in. This year's total imports should go just above 40 million barrels.

## MASSIVE PEAK

Exports of crude petroleum were very low ten years ago, at 6.9 million barrels, rising rapidly to 54 million in 1978 and then falling back to 44 million for 1979 and 1980.

For the first six months of 1981 exports were 18.3 million barrels, just three million short of the figure of 21.3 million barrels for the same time last year.

For refinery throughput there has also been a decline for some years now, with a massive peak of 154 million barrels in 1970, going down to 99 million in 1977 and further to 84 million barrels in 1980.

Last year for the first six months, 43 barrels were refined, while for the same period this year it was 33 million barrels, at an average of 5.5 million per month. Using that last average to project for the year one gets a total of 66 million barrels which does not compare at all well with last year's 84 million.

Because of the fall in refinery throughput there has been the expected decline in output of motor gasoline, aviation turbine fuel, gas diesel oil, fuel oil and kerosene. All of these are produced after crude oil is refined.

CSO: 3025/76

## BRIEFS

'EXPRESS' ON GRENADA--Kingston, Jamaica, Monday (CANA)--The Trinidad EXPRESS newspaper is to step up efforts to pressure the People's Revolutionary Government (PRG) in Grenada to either bring to trial or release more than 100 'political detainees,' according to the managing director of the Port-of-Spain-based newspaper, Ken Gordon. Mr Gordon, who is also president of the Caribbean Publishing and Broadcasting Association (CPBA), spoke at a function among top media officials to honour the editor of the GLEANER newspaper here, Hector Wynter. The GLEANER yesterday carried a report of his speech. He said that the detainees in Grenada had been incarcerated like 'common criminals.' Mr Gordon decried the fact that there had been no protest against the Grenada Government's action from regional legal bodies 'which are expected to epitomise law and justice and to be committed to ensuring that it provides the fabric within which our societies endure and develop.' But the Caribbean would not allow the people being held in Grenada to be forgotten, he said, and the EXPRESS would publish weekly the names of those who are in detention, and would continue to do so until they are either brought to trial or released. [Text] [Bridgetown ADVOCATE-NEWS in English 17 Nov 81 p 7]

NEW HOUSE SPEAKER--Mr Matthew Ramcharan, aged 64, former High Commissioner to Canada, will be speaker of the new Parliament. He succeeds Mr Arnold Thomasos, 75, who has quit after being Speaker for the past 20 years. Mr Ramcharan will be sworn in as Speaker at the inaugural sitting of Parliament next week Friday. Apart from being a former diplomat, Mr Ramcharan, substantively, is a barrister-at-law. Mr Ramcharan, who lived at Paul Village, Arouca, was educated at the Arouca E.C. School. He then went to Arima High School, and later to Lincoln's Inn, London, to become a barrister-at-law. He entered private practice from 1946 to 1963, and was elected to the House of Representatives in 1961. Mr Ramcharan remained in the House until 1963 as the PNM member of St Joseph. During the period, he acted as Minister of Labour in 1962, and later, was High Commissioner to Jamaica from 1963 to 1965. He was a member of the Planning and Housing Commission from 1957 to 1962. He was a member of the Agricultural Credit Bank from 1961 to 1962, and Chairman of the Arima Municipal Services Commission during the same period. From 1957 to 1963, he held the post of Assistant General Secretary of the PNM. He was also a member of the Trinidad and Tobago delegation to the conference of Presidents of Americas in Punta del Este in 1967, and was decorated by the Venezuelan Government with the Grand Order of Simon Bolivar. [Port-of-Spain TRINIDAD GUARDIAN in English 18 Nov 81 p 1]



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Jan. 5, 1982